PROGRESS OF THE PLAN

A SHORT SURVEY OF THE WORKING OF THE FIVE YEAR PLAN FROM APRIL 1951 TO SEPTEMBER 1953.

GOVERNMENT OF INDIA
PLANNING COMMISSION

338.984(54)
A64i

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PRINTED IN INDIA BY THE MANAGER,
GOVT. OF INDIA PRESS, NEW DELHI, 1954

Price Re. 1 or 1 sh. 6d.

INTRODUCTION

EIGHT MONTHS ago the Planning Commission presented a Progress Report for the two years, 1951-52 and 1952-53. The progress of the Plan was reviewed early in October, 1953 by the National Development Council. The Council's meeting, which took place about two and a half years from the commencement of the Plan, offered a convenient opportunity for taking stock of what had been achieved and what remained to be done. Accordingly, this brochure attempts to bring together the main facts concerning the working of the Plan during what may be described as its first phase. During recent months much attention has been given to the problem of employment, both in urban and in rural areas, and the Plan has been expanded to the extent of about Rs. 150 to 175 crores. Even more than before, measures for increasing employment opportunities have become an integral part of the Plan.

The third year of the Plan will end in March, 1954. Although useful results have been secured, the greater part of the task remains to be accomplished and the programmes to be carried out during the next two years are larger in scope than those undertaken during the first three years. There is need, therefore, for a sense of urgency and intense effort on the part of the administrations of the Central and State

Governments as well as the people. In each sector of the Plan those concerned with implementation have to step up their activities and so organise them as to evoke the maximum public co-operation and participation. In particular, it is essential that in each State the task of presenting the State Plan in the form of district plans should be completed and the district plans should be made available in regional languages. Work on their preparation was begun early last year but has made slow progress. District plans are a vital stage in planning from the village upwards in all those fields of development which bear closely on the life of the people.

It has been sometimes suggested that the present Plan is inadequate because it is expected to raise the national income by only 11 to 12 per cent. above the level estimated for 1950-51. To some extent this suggestion is based on incomplete understanding of the scope of the Plan and the projects and policies embodied in it. There is no doubt that if the administrations and the people work together for the Plan and make their full contribution, its targets can be exceeded and its benefits realised earlier.

V. T. KRISHNAMACHARI,
Deputy Chairman,
Planning Commission.

NEW DELHI,
January 14, 1954.

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CHAPTER I

THE FIRST PHASE

1. THE ECONOMIC SETTING

THE OBJECTIVES of the Five Year Plan have been set out in detail in the Report. Briefly, these objectives aim at initiating a process of development which will raise living standards and open out to the people new opportunities for a richer and more varied life. This implies:—

(*i*) the provision of increased employment and production by the most efficient utilization of the resources of the country; and

(*ii*) the achievement of the largest measure of social justice possible.

In India the central aims of planning are set by the character of her long-term problems—increasing population, continued low productivity of land, low rates of capital formation and *per capita* income, excessive dependence on land and the imbalance between agriculture and industry, slow economic progress and persistence and growth of inequalities in the distribution of wealth and income. All these are different facets of what is commonly called the problem of Indian poverty. There is general recognition as to the lines of attack and apart from points of emphasis or pace the substance of the programmes which must enter into a plan of development leaves little room for difference of opinion. The extent of the effort that is made and up to a point, its character, are determined largely by the economic setting in which a plan is formulated and executed. As the stress of immediate problems shifts, adaptations and adjustments are called for and, as circumstances change, the plan of development has to become more flexible and more far-reaching in its range. This, in brief, is the process through which the Five Year Plan has been passing during its first two and a half years. The events of this period make a pattern consistent and continuous enough to form a base for the expanded programmes now comprised in the Plan which are to be carried through during its concluding years, even as the outlines of the Second Five Year Plan begin to take shape.

During the war, in India as in other countries, the economy was subjected to severe strains. The period of restoration and recovery lengthened out under the impact of Partition and the decontrol policies of 1947-48, so that the years 1947-51 were in many ways a period of difficult economic transition, full of uncertainty and instability. When the Plan was being drawn up, a dominant thought was the fear of inflationary pressures overcoming the economy. The food situation had deteriorated and imports, which amounted for some years to about 3 million tons per annum, rose to 4 million tons in 1951. The index of wholesale prices rose from 302 in November 1947 to 458 in April, 1951. Between these dates the price index for wheat rose from 375 to 560, for rice from 336 to 555, and large sums were being devoted to distribution in the towns of imported foodgrains at subsidised prices. With supplies of jute and cotton dislocated as a result of Partition and the difficulties which developed after the devaluation of the rupee in 1949, industrial production was adversely affected. Balance of payments difficulties led in turn to changes in import policy which had an unsettling effect on trade and on several branches of industry. The war in Korea which broke out about the middle of 1950 further accentuated each of the prevailing maladjustments.

Thus, in the conditions of 1950 and 1951, the attempt to frame a comprehensive plan of national development seemed like an act of faith. The present dominated the outlook for the future and induced a note of caution in determining both the economic targets and the social goals. The essential elements of the problem of planning were summed up in these words by the Planning Commission in the Draft Outline of the Plan published in July, 1951:

> "The problem before the country is, firstly, to rectify the disequilibrium in the economy caused by the war and Partition, and secondly, to initiate the development of certain basic resources so as to lay the foundation of more rapid economic growth in the future. The rehabilitation of displaced persons links up with both these aspects. Further, in finding solutions to this two-fold problem, considerations of social justice and the need for a progressive re-orientation of the economy along the lines suggested in the Constitution have to be borne in mind."

The economic scene has greatly changed since these words were written. Some at least of the anxieties of 1950 and 1951 have lifted and the fruits of the efforts undertaken before and during the Plan are beginning to reach the people and inspire larger efforts for the future. The increase in food production by 4·4 million tons in 1952-53 and the brighter crop prospects for 1953-54 have removed the fears of shortage which had persisted for several years. The rise in the index of industrial production from 117 in 1951 to 129 in 1952 and 134 during the first eight months of 1953 accompanied, in particular, by greater availability of cloth and of consumer goods in general, has also helped to put the economy into better heart. As a result of a series of fiscal measures taken by the Government, notably the increase of export duties in 1951 and restrictions on credit, the inflationary forces were successfully held. By the end of 1951 the index of wholesale prices fell to 433. There was a decline in the early months of 1952 and the index touched the level of 367 in May, but recovered to 389 in September 1952. There was a small rise in wholesale prices in the first eight months of 1953, but in October the index stood at 393·6. Thus, the price situation has been on the whole well in hand. These developments were accompanied by an improvement in the balance of payments position.

Thus, it may be said that the short-term, immediate aims of the Five Year Plan are being largely achieved. In this, the end of the Korean War has played its part. The contribution made by the Plan has been significant and augurs well for its fulfilment. Indeed, the foundation is now laid for a period of sustained and vigorous effort to rebuild the economy and achieve a rise in the standards of living.

In determining the priorities for the Plan, the first place was given to measures to increase the production of food and raw materials. The steps which have been already initiated such as the programme of irrigation and power development, expansion of minor irrigation and other local schemes, construction of tube-wells and the launching of a vast national extension and community development programme, hold promise that the movement for greater production in agriculture (bringing with it improvements in all spheres of rural life) will continue to grow in strength and its effects will be felt increasingly in the countryside as well as in urban areas. In recent months the problem of urban unemployment has called urgent attention to the need for stepping up the rate of investment, specially in sectors other than the agricultural. In the conditions of an under-developed economy, while the emphasis may vary from time to time, development and the expansion of employment are but two different aspects of the same problem, namely, the strengthening of the economy and utilisation of the manpower resources of the country. In the economic situation as it has now developed, it is not only necessary but also practicable to expand investment both in the public and in the private sectors of the economy. Steps in this direction have been taken in recent months and, as these are carried into effect and the development schemes which are already part of the Plan are implemented more fully, the impact of the Plan will be felt in greater measure.

PROGRESS OF EXPENDITURE

The programmes operated by the Central and State Governments during the two years 1951-53 were based on the Draft Plan prepared in July, 1951. In the Plan as it emerged in its final form the investment programmes in the public sector were estimated to cost Rs. 2,069 crores, that is, 38 per cent. more than the Draft Plan contemplated. The effect of this increase in the size of the Plan began to be felt in the third year. During 1951-52, taking the Centre and the States together, the total development expenditure was Rs. 261·5 crores. The programmes for this year were drawn up about the same time as the budgets, so that there was not much scope for expansion. At the Centre there was an increase in development expenditure of Rs. 28 crores over the previous year and in the States of Rs. 9 crores. The first effect of the comparatively larger investment programmes adopted even in the Draft Plan may be seen in the increase of development expenditure during 1952-53 which, compared to 1950-51, amounted to Rs. 32 crores at the Centre and Rs. 29 crores in the States. In the second year of the Plan the total expenditure compared to 1950-51 had increased to the extent of nearly Rs. 100 crores—by no means an insignificant addition if it is appreciated that many development schemes in the States are individually small in size and that expenditure on large schemes does not reach the peak until the organisation and equipment are fully in position. Of this increase, about Rs. 61 crores were accounted for by the Centre, mainly on account of multi-purpose projects, rehabilitation of displaced persons, and to a smaller extent, on communications and industrial projects.

The impact of the additions made in the Plan as it was finally approved by Parliament and the National Development Council was felt in the budgets for 1953-54. The budgeted development expenditure for this year stood at Rs. 413 crores, being Rs. 189 crores or 84 per cent. above the level of development expenditure in the period immediately preceding the Plan. The increase in the Central Government's expenditure amounts to 123 per cent. and in that of the States to 48 per cent. For Part 'A' and Part 'B' States the increase in expenditure over the base year, 1950-51, amounted to 36 and 85 per cent. respectively. For a number of Part 'C' States, development programmes on any scale have been initiated for the first time. It has to be remembered that while a number of States were in a position administratively to enlarge their current programmes, in several others the first task was to organise a minimum machinery of administration, specially in the field of development. Even if the expenditure actually incurred during 1953-54 should fall somewhat short of the budgeted amounts, as might indeed happen in the ordinary course, the effective increase in the level of development expenditure during the first three years of the Plan would still be quite substantial.

Over the three years, 1951-54, the expenditure on development will amount to a little less than Rs. 1,000 crores against a Plan of Rs. 2,069 crores, which has recently been further augmented. The gap indicates the size of the programmes remaining to be executed during the two concluding years of the Plan. In brief, the Centre and the States are called up to carry out during the two years 1954-56 programmes distinctly larger in size and scope than have been undertaken during the preceding three years.

In the private sector programmes of industrial development were drawn up for the period of the Plan for 42 industries. It was estimated that the total net investment in these industries might be of the order of about Rs. 233 crores, of which programmes relating to steel, aluminium and the oil refineries would account for about Rs. 116 crores.

In these latter industries, implementation being still in the initial stages, the total investment in the first two years has been about Rs. 8 crores. Over the remaining industries, although precise data are difficult to obtain, the investment during this period has been estimated to be in the neighbourhood of about Rs. 45 crores.

RESOURCES FOR THE PLAN

According to the scheme of finance for the Five Year Plan, out of Rs. 2,069 crores, Rs. 1,258 crores are to be found through the normal budgetary resources of the Central and State Governments. Credit was taken to the extent of Rs. 156 crores for external assistance already received from the International Bank and the United States and under the Colombo Plan, the receipts on account of the U.S. wheat loan of 1951 being also included in the amount. This left a gap of Rs. 655 crores. Of this, without adding to inflationary pressures, it was reckoned that about Rs. 290 crores could be secured by borrowing from the Reserve Bank against releases from sterling balances in accordance with arrangements between India and the United Kingdom. As regards the balance, it was considered that this amount might be found perhaps from external resources or, in their absence, depending upon the rate of expenditure actually incurred, through additional measures of internal taxation and borrowing and from deficit financing.

During the years 1951-53 the rate of development expenditure was not such as to require any large deficit financing. The first year of the Plan closed with a small overall surplus. In the second year there was a budgetary deficit of Rs. 120 crores, but the net creation of new purchasing power was considerably less.

During the first three years of the Plan, State Governments have raised about Rs. 30 crores through measures of additional taxation. In view of the acceleration of the

Plan from 1953-54, it will now be incumbent upon them to find additional resources to a larger extent. Conditions in the capital market have steadily improved. During 1951-52 State Governments were able to raise loans amounting to about Rs. 12 crores. In 1952-53 they raised Rs. 17 crores and in 1953-54 the net realisation was Rs. 39 crores. There has been considerable activity also in the field of small savings. The target for the five-year period was Rs. 270 crores, of which Rs. 103 crores were secured during the first two years. A promising recent development has been the setting up of a national advisory committee for promoting small savings through voluntary women workers.

The Central Government has assisted States in financing their programmes included in the Plan under a number of different heads such as, for instance, grow more food and special minor irrigation schemes, projects included in the State Plan, multipurpose river valley schemes, community projects and the national extension development blocks, industrial housing and rehabilitation of displaced persons. During the three years 1951-54, loans from the Central Government to State Governments for various schemes will amount to about Rs. 253 crores and grants to about Rs. 36 crores, making a total of about Rs. 289 crores.

As has been mentioned above, receipts on account of external assistance form part of the financial scheme for the Plan. Apart from the wheat loan from the United States which provided a net amount of about Rs. 73·32 crores to the Special Development Fund of the Central Government, assistance authorised under the Technical Co-operation Agreement with the United States for the three years ending June 1954 amounts to about Rs. 79 crores. Under the Colombo Plan the total assistance authorised so far amounts to about Rs. 28 crores. The International Bank has sanctioned loans amounting to about Rs. 24 crores for the D.V.C. and the steel expansion scheme of the Indian Iron & Steel Company. The Ford Foundation has agreed to provide so far about Rs. 2 crores for training schemes falling within the field of agricultural development, education and health services. Finally, the Government of Norway is assisting a fisheries community project in Travancore-Cochin under a tripartite agreement between India, Norway and the United Nations. The total external assistance for economic development authorised since the commencement of the Plan comes to about Rs. 133 crores.

EXPANSION AND ADJUSTMENTS

During the summer of 1953 there were indications of increase in unemployment, especially in urban areas. The number of persons registered with employment exchanges had been increasing fairly steadily from the spring of 1952. In April, 1952, the number stood at 3,60,190; a year later it had risen to 4,55,417. During the three months, May to July, 1953, it rose by a further 27,000. At the same time conditions characteristic of buyers' markets began to affect employment, particularly in the trade sector, and to a smaller extent in industry. Export industries, industries which were less organised and weaker units in the better organised industries began to retrench personnel. It was apparent that unless the volume of activity, both in the public and the private sector, increased, even apart from external factors, it might be difficult to prevent unemployment becoming more widespread. In this situation apart from factors of a general character such as those affecting the price level or external demand for raw materials or manufactured goods, there were at work factors specific to particular areas such as the power cut in the South as well as factors specific to particular trades or industries such as the difficulties of the tea industry, the slowing up of private road transport development and decline in demand for diesel engines, pumps, etc. Furthermore, there were two long-term factors which had been continuously at work for a considerable period, namely, a steady shift of workers from villages to towns and increase in the number of educated persons seeking mainly white-collar employment.

It was felt that, in addition to any short-term or immediate relief measures that might be called for, the main attack upon the problem of unemployment had to be made by accelerating the implementation of the Plan and by strengthening it at appropriate points. The Plan had never been conceived as a rigid or static set of development projects and there was in it room for considerable adaptation to changing needs. For reasons explained earlier, there was a gap between the rate of development contemplated in the Plan and the rate actually achieved and this gap has now to be reduced as rapidly as possible. Further, it was agreed that in the Central and State Plans such adjustments as would promote greater employment should be undertaken. With a view to stepping up the rate of activity under the Plan, in particular in the States sector, the Central Government offered to make the agreed amounts of Central assistance available freely and liberally to the States. The assurance was given that if States did their part so far as it lay in their power, the Centre would endeavour to ensure that no worthwhile project in their plans was held up for want of finance.

After obtaining the suggestions of the Central Ministries and State Governments concerning the additions and adjustments to be made in the Plan, the National Development Council (which includes all the Chief Ministers of the States) agreed early in October, 1953 to add projects to the Plan entailing additional expenditure of Rs. 150 to 175 crores during the period of the Plan. Three conditions were laid down for including additional schemes:

(*i*) they should be strictly related to the provision of additional employment;

(*ii*) they should be such as to produce results within the period of the Plan, *i.e.*, they should not be long-term projects; and (*iii*) training and other programmes should be related to the needs of the Plan and should be confined to those sectors in which there were shortages.

Following these suggestions, detailed proposals were worked out in consultation with the Central Ministries and the States. Additions which have been or are proposed to be made in the Plan may be broadly divided into four categories:—

(*i*) additions in the programmes of the Central Ministry;

(*ii*) programmes of permanent improvements in scarcity areas;

(*iii*) additions in the programmes of State Governments; and

(*iv*) new programmes for increasing employment. especially in urban areas.

Development programmes costing about Rs. 70 crores have been included in the first group. The additional cost on account of schemes in the second and third categories comes to about Rs. 65 crores.

At the Centre, the largest addition in the Plan relates to the rehabilitation of displaced persons. The original allocation in the Plan under this head had been confined largely to the requirements of the first three years, 1951-54. The problem has now been reviewed afresh and it has been agreed that an additional amount of the order of about Rs. 45 crores should be made available for the two years 1954-56. In addition to housing programmes, it is proposed to devote special attention to the development of refugee townships, a number of which have become centres of chronic unemployment. The second important item at the Centrel concerns a new road programme which has been sanctioned at a cost of Rs. 10 crores. The object of this programme is to take up certain roads, which are either important for inter-State communications or are likely to promote rapid development. Other proposals at the Centre relate to further programmes of construction of office and residential buildings (Rs. 2·5 crores), health schemes (Rs. 2 crores), agricultural schemes (Rs. 2·16 crores), ports and harbours, etc.

In several States there are chronic scarcity areas in which because of low purchasing power and repeated interruption of economic activity, relief works and other measures are needed from time to time. A programme of permanent improvements for these areas has now been sanctioned at a total cost of about Rs. 40 crores. It is hoped that with the completion of these works local purchasing power will expand and the areas concerned will develop greater capacity to start future improvement programmes. These schemes will be financed by loans from the Central Government repayable over a period of 30 years, which will be interest-free for the first five years. The programme extends to 12 States, namely, Assam, Bihar, Bombay, Uttar Pradesh, West Bengal, Andhra, Madras, Hyderabad, Mysore, Saurashtra, Rajasthan and Ajmer.

In addition to works for scarcity areas the plans of State Governments have been reviewed and strengthened to the extent of about Rs. 25 crores. The main fields of development to which funds allotted to the schemes so far approved will be devoted are:—

		Rs. crores
Power	...	9·1
Roads and road transport	...	8·1
Irrigation	...	3·5
Housing	...	1·5
Social Services	...	1·8
Industry and technical training		1·1

Although it required no additional financial provision immediately, an important scheme for expanding employment opportunities for educated persons was introduced in August, 1953. Under this scheme during the two years 1953-54 and 1954-55, 80,000 additional primary school teachers are to be employed in rural areas and 10,000 social education centres are to be established in urban areas. The scheme is being actively implemented. Proposals for appointing about 25,000 teachers have been approved under this scheme and by the end of the year 1953-54, it is expected that 30,000 will be appointed.

The fourth group of projects are designed to supplement programmes for increasing employment of an urban character. From a broad standpoint every single project undertaken in the public or the private sector has its impact on employment, and the problem of unemployment cannot be viewed apart from the entire network of activities taking place in the economy as a whole. Nevertheless, it was felt that there was room for additional programmes along certain lines, for instance:

(1) assistance in setting up State Financial Corporations and for small-scale and cottage industries (over and above the provision in the Plan);

(2) provision of additional thermal plants in urban areas;

(3) loans for housing programmes for low-income municipal and government employees and for co-operative housing;

(4) financial asistance for the development of road transport services;

(5) work and training camps, apprenticeship schemes and re-orientation courses; and

(6) implementation of the recommendations of the Secondary Education Commission relating to the diversification of courses, introduction of crafts, improvement of science teaching; etc.

The details of some of these proposals are being worked out in consultation with the appropriate authorities.

Finally, reference may be made to an important proposal which has been under consideration for some time past and has now been approved in principle by the Central Government, namely, the establishment of an Industrial Development Corporation. Through this Corporation it may become possible for the Central Government to promote an active policy for industrialisation and, in particular, to assume initiative in those sectors of private industry where private enterprise is not readily forthcoming, but where in the public interest development may be desirable.

CHAPTER II

AGRICULTURAL PROGRAMMES

Agricultural Production

The Five-Year Plan includes a number of programmes *e.g.* community projects and national extension, grow more food schemes, multi-purpose projects, major and minor irrigation projects, the primary object of which is to secure a rapid increase in agricultural production. Apart from the general desirability of making the best possible use of the land, a high priority had to be accorded to these programmes because of the pressing need to reduce our dependence on imported food and agricultural raw materials. The following increases were, therefore, planned:—

	Quantity (in millions)		Percentage increase
Food grains .	7·6	tons	14 %
Cotton .	1·26	bales	42 %
Jute .	2·09	bales	63 %
Oil seeds .	0·40	tons	8 %
Sugarcane .	0·70	tons	12 %

It is thought that the achievement of the targets outlined above will almost wipe out the deficiency in food-grains, but deficiencies in respect of commercial crops, though considerably reduced, will still remain. The Plan therefore, envisages a continuance of imports of these commodities *viz.* 1·2 million bales of cotton and 0·8 million bales of jute.

The second year of the Plan *viz.* 1952-53 was a favourable one for agriculture and particularly for the cultivation of foodgrains, the total production of which, as ascertained by crop cutting surveys, was 4·4 million tons higher than in the base year. Of this, 1·5 million tons is accounted for by rice and wheat and the balance by other foodgrains, mainly maize and millets. The crop prospects for the current year are also satisfactory. It is expected that the gains made last year in the production of foodgrains will not only be maintained this year, but that further improvements will be recorded. The first estimate for *kharif* grains and pulses this year shows an increase of about 8 million acres or 5·8 per cent. compared to last year.

These favourable results have greatly reduced dependence on imports. The following table indicates the magnitude of the reduction and the consequential savings of foreign exchange:—

Year	Quantity imported (million tons)	Reduction in quantities	Value	Saving
			(Rs. in crores)	
1951	4·7	..	216	..
1952	3·9	−0·8	210	6
1953	2·0	−1·9	86·0	130

They have also enabled the Government of India to announce certain relaxations in food controls. Movement of coarse grains is now permitted without any restriction in most parts of the country.

There has also been some reduction in the high prices of cereals which were causing considerable anxiety at the commencement of the Plan. Whereas the index figure of cereals stood at 490 in April 1951, it has come down to 425 in December 1953. The index of food articles has also fallen from 413 to 363 during the same period.

This improvement is not of course wholly due to the works executed during the two and a half years since the commencement of the Plan. Favourable weather conditions in 1952-53 as well as in the current year are responsible for the gains to some extent. There is, however, little doubt that the progress of irrigation works, major and minor, discussed elsewhere and the Grow More Food Campaign have made a considerable contribution to the present favourable situation.

As regards commercial crops, the area under cotton has increased from 14·6 million acres in 1950-51 to 15·7 million acres in 1952-53. The second forecast for this crop for the current year shows further improvement of 6·5 per cent. in acreage compared to the corresponding estimates of the last year and production is expected to be higher by about 7 lakh bales compared to the base period.

Sugarcane recorded an increase of 4·5 lakh tons in 1951-52, but owing to a decline in prices this improvement was not maintained in 1952-53. The latest reports for the current year indicate some increase over last year.

Similarly in the case of jute there was considerable increase in acreage and production during the first year of the Plan—production rose by about 14 lakh bales—and this was maintained during the second year, but during the current year acreage has fallen by about 34 per cent. and production is likely to be back at the level of the base year.

During the first two years of the Plan the production of oil seeds, despite some increase in the acreage declined slightly, mainly owing to bad climatic conditions in the groundnut areas. During the current year some improvement in respect of groundnut and sesamum is expected.

In the case of commercial crops attention has to be concentrated on improving quality and increasing the yield per acre rather than extending the acreage. It is worth noting that in U.P. during the year 1952-53 42,000 maunds of oil cakes, 127,000 maunds of chemical fertilizers and

178,000 maunds of fertilizer mixture were distributed to the cane growers. Two lakh eighty thousand maunds of improved cane seed were also supplied during the same period. Similar schemes are in operation in Bihar, Punjab and other areas.

The agricultural plans of the State Governments which were estimated to cost Rs. 125 crores were further strengthened by the allotment of Rs. 30 crores for minor irrigation works. On the whole, expenditure is proceeding satisfactorily but in a few States it is behind schedule. Though figures of the works executed and the results obtained in 1952-53 are not available for all States, it is known that during this year and the current year serious efforts have been made to improve the administrative and other arrangements connected with Grow More Food and minor irrigation schemes.

MINOR IRRIGATION

Altogether more than half of the total expenditure under agriculture is likely to be devoted to minor irrigation schemes of one kind or another, and up to the end of 1952 the programme is reckoned to have provided irrigation for about 2·0 to 2·5 million additional acres. The minor irrigation schemes include construction and repair of wells and tanks, installation of pumps, construction and improvement of dams and channels, and execution of small drainage works. While the largest number of percolation wells (11,790) were constructed last year in U.P. the construction and improvement of tanks and channels is important in the Eastern zone. In West Bengal 512 tanks were repaired and 973 channels were improved. The number of channels improved in Bihar was 3,846.

In addition to these small irrigation works a large scale tubewell construction programme is also under way. A contract for the construction of 965 tubewells was given to Messrs. Associated Tubewells in U.P., Bihar and Punjab.

Against this target 908 tubewells were drilled up to 15th December 1953.

Smaller tubewells are also being sunk in these States by individuals or on a co-operative basis. The State Governments are providing assistance in the shape of loans for this purpose.

A project for the construction of 2,650 irrigation tubewells has also been undertaken under the Indo-U.S. Technical Co-operation Programme in U.P., Bihar, Punjab and Pepsu. Of these about 660 tubewells will be constructed departmentally and the balance of about 2,000 will be entrusted to contractors. In addition 350 exploratory tubewells are to be sunk in 16 States under the T.C.A. Programme. Tenders for this have been invited.

The Ministry of Food and Agriculture who have general responsibility for the carrying out of this programme have recently appointed a wholetime Administrator and additional technical staff in order to ensure its prompt and efficient execution.

LAND RECLAMATION

Against a target of 14 lakhs acres for the whole five year period the Central Tractor Organisation has reclaimed about 5 lakh acres of kans-infested land in the past two and half years. The State Governments also maintain a large number of tractors which are used not only for reclamation but also and mainly for follow-up cultivation. Private parties have also acquired a number of tractors during recent years. The progress of the work in most of the States and the use of tractors by private parties has not been altogether satisfactory largely because experienced technical personnel are not readily available and the handling and maintenance of the tractors is often unsatisfactory. Adequate arrangements for repairs and for the supply of spare parts are also lacking. Accurate figures of the acreage reclaimed by State Tractor Organisations and by private parties are not available.

IMPROVED SEEDS AND FERTILIZERS

A good deal of importance is to be attached to the programmes for wider distribution of improved seed and fertilizers and for the improvement of agricultural techniques. Though over the past years the consumption of fertilizers has been rising, the rise has not been steep enough to absorb the production of the Sindri Fertilizer Factory when working at full capacity.

There is also scope for improving the work of seed distribution. In most States schemes for the distribution of improved seeds are in progress but the quality of the seed distributed is not always sufficiently assured and at present the seed reaches only a small fraction of the farmers except in a few States. The Planning Commission is in continuous touch with the States' plans in this respect.

During the last two years a good deal of publicity has been given to the intensive cultivation of paddy by the Japanese method. The principles of this method are: careful selection of seed, lower seed rate, greater use of manures and fertilizers and proper spacing between the plants. About 2 lakh acres of paddy land have been cultivated during the current year under this method with good results. For intensifying the campaign the following measures have been adopted:—

(*a*) A large number of demonstration plots have been laid out both on cultivators' fields and in Government farms.

(*b*) Training centres have been opened for training farmers in the techniques of the method.

(*c*) A number of depots for distribution of improved seeds and fertilizers have been opened.

(*d*) The pool price of ammonium sulphate produced at Sindri has been reduced from Rs. 365 to Rs. 290 per ton.

(e) Credit facilities have been arranged to enable farmers to get seeds and fertilizers on credit. The Government of India have provided a sum of Rs. 8 crores in the current year's budget for the purpose.

AGRICULTURAL FINANCE

Agricultural production depends upon millions of small farmers. It is the intensity of their efforts and the efficiency of their technique that will help in raising the yield per acre. The National Extension Service (progress in regard to which is discussed elsewhere) is designed to furnish them with guidance in regard to improved methods of agriclture. But because of inadequate financial resources and the absence of credit facilities at reasonable rates many of the farmers, even though otherwise willing, are not able to go in for improved seeds and manures or to introduce better agricultural practices. The provision of sufficient and timely credit at fair rates of interest is, therefore, an integral part of the Plan.

A part of the assistance provided by the Food and Agriculture Ministry for the Grow More Food Campaign is utilised for granting loans to the cultivators and the State Governments grant them similar assistance out of their own resources. The total extent of this assistance is estimated to be about Rs. 20 crores per annum. The co-operative societies are advancing another Rs. 30 crores per annum for similar purposes. In order to expand co-operative credit facilities rapidly, proper organisation at the village and the State level is necessary. Many of the Part B States in the year 1951 were without any apex co-operative bank. During the last 2¼ years apex co-operative banks have been organised in Saurashtra, Rajasthan, Pepsu and Himachal Pradesh. Action to revitalise some of the existing institutions is also in progress. The prospects of achieving the target set in the

Plan of making short-term loans available to farmers to the extent of Rs. 100 crores annually by 1955-56 have considerably improved.

As regards medium and long term loans, the Government of India have made available a sum of Rs. 4 crores to the various State Governments which they have been advised to place at the disposal of the apex co-operative agencies. This will mainly be utilised for productive loans in areas where the co-operative movement is not yet fully developed. The Government of India have also recently helped the States of Madras and Andhra to take up debentures in the State Land Mortgage Banks.

With the recent amendment in the Reserve Bank Act, the Reserve Bank which hitherto was advancing loans only for short-term purposes will be able to grant accomodation for medium term purposes as well.

The success of co-operative credit largely depends upon the quality of the personnel engaged in the co-operative movement. A co-operative college for training superior personnel is functioning at Poona and proposals for starting regional colleges are under consideration. The existing training facilities for subordinate staff are also being reviewed. The entire programme is being worked out by a Central Committee of Co-operative Education which has recently been established by the Government of India in consultation with the Reserve Bank.

ANIMAL HUSBANDRY AND DAIRYING

The key village scheme, the establishment of Gosadans, the campaign against rinder-pest and the opening of more veterinary dispensaries are the principal items in the programme of livestock improvement.

The key village scheme aims at establishing throughout the country a number of centres each consisting of 3 or 4 villages where breeding will be confined to a few superior bulls, all other non-pedigree bulls will be removed or castrated and attention given to the proper rearing and feeding of young stock and disease control. To accelerate progress and to reduce the number of bulls required the technique of artificial insemination is also to be employed.

The Plan set as a target the establishment of 600 key villages and 160 artificial insemination centres. Although 109 artificial insemination centres and 323 key villages have already been established in different States, the progress cannot be considered altogether satisfactory. In some States the scheme is tending to become a routine affair and important aspects of cattle development such as feeding and disease control are being neglected.

Removal of useless cattle is an integral part of the Plan for the improvement of cattle. This scheme has not made much progress as only 18 Gosadans have so far been sanctioned against 160 visualised in the Plan and even these 18 have not all started functioning as yet.

FISHERIES

For the development of marine fishing the Plan recommended the mechanisation of existing boats. This has proved popular on the West Coast, particularly in the Bombay State, and about 160 boats have been mechanised in the last 2½ years. The Government of India have also secured the services of a naval architect to advise about the modifications that will be needed in indigenous boats for power fishing. He will also make suggestions for designs in boat construction.

A project for fisheries development in Travancore-Cochin, sanctioned as part of the Norwegian Aid Programme, is now in full swing.

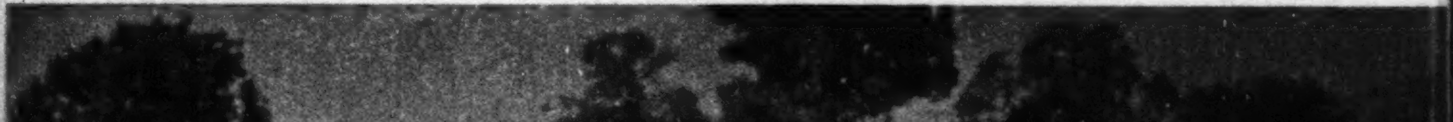
On the East Coast the West Bengal Government have been operating Danish cutters during the last 3 years. Three Japanese trawlers are also being added to their fleet under the T.C.A. Programme.

The results obtained by the Danish cutters in Bengal and the Japanese trawler, which has been operating for some time on the West Coast as a private venture, are promising. If the problem of marketing is properly tackled, the fishermen as well as the consumers will be in a much more favourable position by the end of 1955-56.

The inland fishery research station at Barrackpore continues investigation on the technique of collection, transport and stocking of fish in order to ensure maximum survival. As a result of these researches it has been possible to increase the rate of survival from 9 per cent. to 80 per cent. During the year 1952-53, 53 lakh fry of selected species were supplied from the Station to the deficit States.

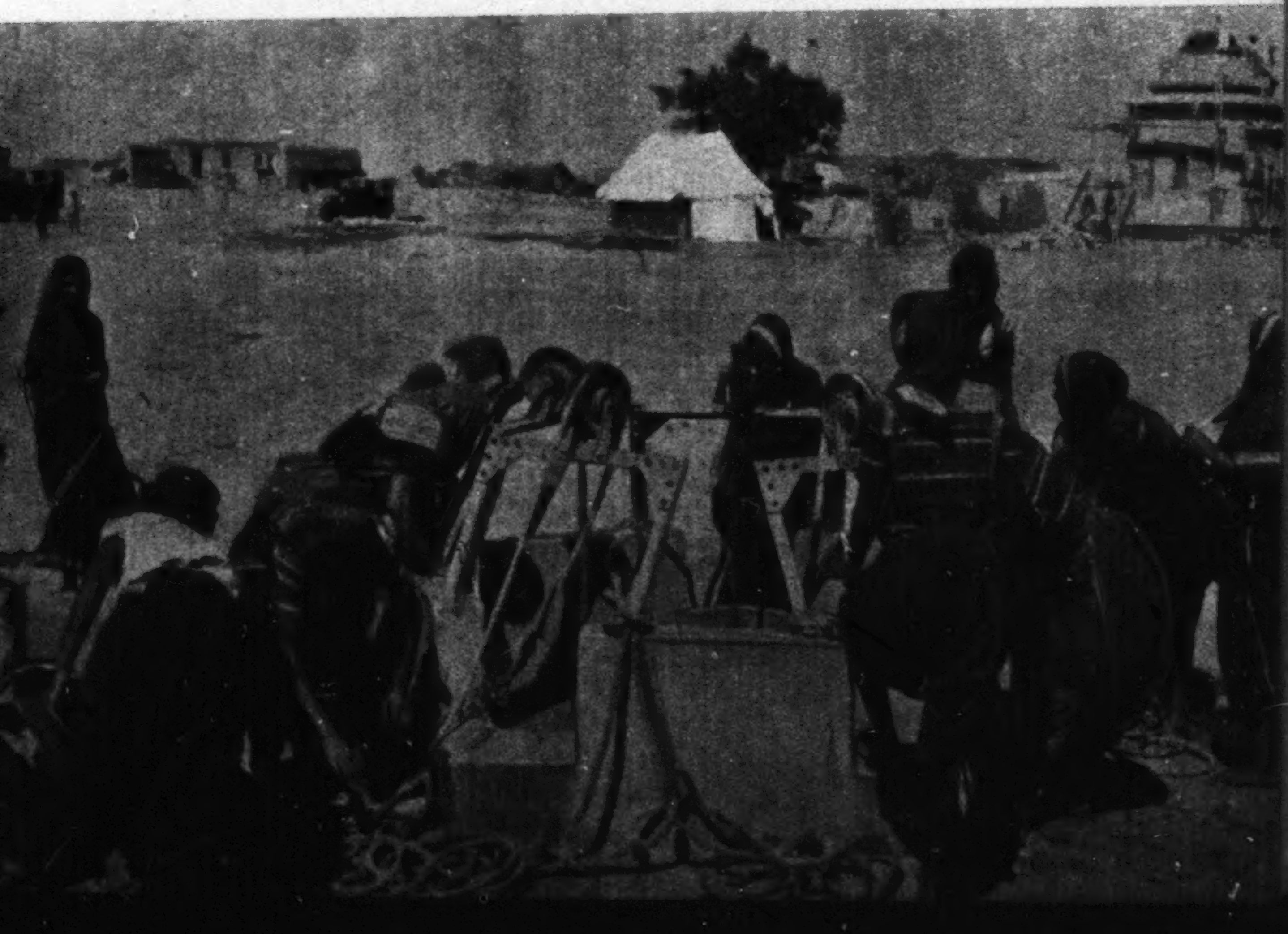
A specimen of improved quality barley grown in demonstration plots in Fulia in West Bengal.

Cattle being vaccinated against rinder-pest in the Raipur community project area of Madhya Pradesh.



A skilled workman at his job.

This well is one of the many constructed in Hyderabad community project area.



CHAPTER III

RURAL EXTENSION SERVICE AND COMMUNITY PROJECTS

INTRODUCTION

ABOUT EIGHTEEN months ago when the idea of community development was being discussed by the representatives of the Central and the State Governments, they were not quite sure how the programme would shape itself in actual practice. There was no accumulated experience behind. On the other hand, even in its restricted form, the programme constituted one of the biggest projects of its kind undertaken anywhere.

The sponsors of the programme had to start from scratch. Their only asset was a determination to do their best and an acute consciousness of the fact that urgent and effective measures were necessary to raise the standard of living of the people.

To meet this demand a bold approach was necessary. The problem is to create among the 70 million families in India an ambition for a higher standard of living—the will to live better and the determination to do this by their own efforts. The Government of India planned on a big scale and decided to start schemes of rural development in all parts of the country comprising as large a section of the people as possible subject only to the limitations of availability of resources and trained personnel.

The programme that was set before the country was equally comprehensive. It embraced all aspects of development in the socio-economic life of rural India and aimed at increase in production, employment, literacy and other amenities of life. A definite target date was set for each project to be completed. The programme had to be launched on a war basis—a war against poverty and disease, for a fuller and freer life.

The Programme

It was in May 1952 that the Government of India in consultation with the State Governments decided to launch the community development programme which was inaugurated in 55 project areas all over India on October 2, 1952. More community projects were launched in two successive instalments in 1953 so that by now work is going on in 220 development blocks comprising about 23,650 villages and a population of 21·5 millions.

The National Extension Service was inaugurated all over India on October 2, 1953—just a year after the inauguration of the community development programme. As the first instalment, the Central Committee (*i.e.* the Planning Commission in its capacity as the Central Committee for the National Extension Service) allotted 237 development blocks among the different States for the year 1953-54.

Thus, the total coverage under the combined programme now is:

Community Projects Blocks		Villages	Population (million)
220	(including 3 blocks for Jammu and Kashmir State).	23,650	21·5
237	National Extension Service Blocks.	23,700	15·6
457		47,350	37·1

It is necessary to explain the inter-relation between the community development programme and the extension work. In both the programmes, agricultural extension work is a common factor in its widest sense, including animal husbandry, fisheries, co-operation and subsidiary and cottage and small-scale industries. But in the community projects, the works programme is more comprehensive for temporary period of 3 years. Thus a development block which has received attention under the extension programme can be subsequently taken up under the community programme. The pace at which this will happen will depend on available resources, both external as well as internal, and the response of the people. The selection of areas for intensive development under the community development programme will be made on the basis of proposals received from the State Governments and certain other criteria determined in consultation with the State Governments.

The programme for the Plan period is to undertake 1,200 blocks under the National Extension Service out of which 700 blocks consisting of about 70,000 villages and a population of 49 millions will receive attention under the intensive development programme. Nearly one-fourth of the country will be thus covered.

THE SERVICES

The principal activities in a typical community project block are:—

(*a*) AGRICULTURE AND ALLIED FIELDS:

(*i*) Provision of water for irrigation through canals, tubewells, surface wells, tanks, lift irrigation from rivers, lakes and pools, etc.;

(*ii*) Contour bunding, soil and moisture conservation in dry areas;

(*iii*) Provision of quality seeds, improved agricultural techniques, veterinary aid, improved agricultural implements, marketing and credit facilities, breeding centres for animal husbandry, soil research and manures;

(*iv*) Development of inland fisheries, fruit and vegetable cultivation, arboriculture including planting of forests and re-organisation of dietetics;

(*v*) Reclamation of available virgin and waste lands;

(*vi*) Key village schemes for the improvement of livestock.

(*b*) *Formation of new co-operative societies* and strengthening of existing societies and bringing every family in the area under the inuence of the movement.

(*c*) EMPLOYMENT:

(*i*) Encouragement of cottage, medium and small-scale industries:

(*ii*) Production of employment through planned distribution, trade auxiliary and welfare services wherever possible on a co-operative, basis.

(*d*) *Communications.*—Provision of roads, encouragement of mechanical road transport services and development of animal transport.

(*e*) *Education.*—Provision of compulsory and free education at the elementary stage, high and middle schools, social education and library services.

(*f*) *Health.*—Provision of sanitation and public health measures, medical aid for the ailing, pre-natal and ante-natal care and midwifery services.

(*g*) TRAINING:

(*i*) Refresher courses for improving the standard of existing artisans;

(*ii*) Training of agriculturists, extension assistants, supervisors, artisans, managerial personnel, health workers and executive officers for projects.

(h) *Housing.*—Provision of improved techniques and designs for rural housing and housing in urban areas.

(i) SOCIAL WELFARE:

(i) Provision of community entertainment based on local talent and culture; audio-visual aid for instruction and recreation;

(ii) Organisation of local and other sports, *melas* and co-operatives and self-help movement.

In a block selected under the extension programme, the agricultural and allied activities remain the same as in the case of community projects. But as stated above, the other works programme is less. Consequently, an extension block costs less. For example, while the three-year cost of a community project development block is Rs. 15 lakhs, the extension block costs Rs. 7½ lakhs. The extension block however is a permanent organisation—the Welfare State in action.

COST OF THE PROGRAMME

In the Five Year Plan a total amount of Rs. 101 crores has been recommended for expenditure on the community projects and the National Extension Service. The total 3-year cost of the 55 community projects and 35 development blocks launched in 1953 amounts to over Rs. 46 crores including about 10·5 million dollars (or about Rs. 5 crores) of U.S. assistance under the Indo-U.S. Technical Co-operation Scheme. The U.S. assistance is being utilised for purchasing equipment from abroad required for community projects in India. The rest of the funds allotted for the service in the Five Year Plan will be utilised for the other development blocks.

PEOPLE'S RESPONSE

The result of one year's working of community projects indicates that people are sufficiently responsive to specific development programmes provided the administrative machinery plays its part in organising essential supplies and services and provides a certain amount of financial assistance. Where these essential pre-requisites have been provided for, the response of the people to the programme has been enthusiastic.

It is important to ensure that this spontaneous public co-operation does not diminish either because of faulty official approach or for lack of a properly organised scheme of action to be undertaken by the people. The enthusiasm now generated will have to be consolidated so that a firm super-structure based on people's willing support can be laid. The movement should always remain a people's movement, vigorous and dynamic, with a thoroughly efficient administrative organisation of supplies and services and credit reaching every family.

PHYSICAL ACHIEVEMENTS

Apart from enthusiastic public response, the physical achievements of the first year's working of community projects are also not inconsiderable.

AGRICULTURAL AND ALLIED SERVICES

The main items of work in the agricultural sphere have been propagation of intensive cultivation methods, reclamation of waste land, better animal husbandry services and minor irrigation works. Under intensive cultivation methods on which considerable emphasis is laid in the community development programme, supply of fertilizers, manures, improved seeds, agricultural implements etc. are important features. 150,000 lakhs of compost pits have been dug and about 650,000 lakh maunds of fertilizers and about 215,000 maunds of seeds have been distributed.

Hyderabad Community Project Area: *Village level workers at a training centre at Himayat Sagar being taught spinning.*

A total of 54,968 acres of land has been reclaimed in the community project areas during the period under review. In addition 130,329 acres of land have been brought under additional irrigation. Further, over 27,000 acres of land were brought under fruits and vegetables.

In the sphere of animal husbandry 19 key village centres and 155 veterinary dispensaries were opened and nearly 1·1 million cattle were inoculated against disease. In some project areas the development of fisheries has been an important aspect of work. Over 2·1 million fingerlings have been raised for fish culture.

Nearly 9,000 wells have been renovated and over 1,300 new wells constructed. Twelve tubewells were also constructed. Over 100,000 yards of new drains have been constructed and 15,000 soakage pits dug in different areas.

EDUCATION

In the sphere of eduction, 1,368 new schools were started and 225 schools were converted into basic schools. 3,556 adult education centres were started and 59,142 adults were under training. 2,868 recreation centres were started.

VILLAGE ROADS

Road construction has been an equally important activity. 3,291 miles of kutcha road and about 145 miles of pucca roads were constructed during the period under review.

VILLAGE COUNCILS

In the planning and implementation of the programme in the community projects and National Extension areas the maximum use is being made of local popular organisations, like, Panchayats and Union Boards. Wherever Panchayats or Union Boards, organised along traditional lines, are effective, they are always utilised. In some areas, success has been achieved by entrusting developmental activities to *ad hoc* non-statutory bodies. These organisations have various names. In Madhya Pradesh they are called Gram Vikash Mandals; in Orissa, Gram Mangal Samities; in Madras, Gram Seva Sanghams, and in West Bengal, Palli Unnayan Samities. Participation of the people in developmental activities organised by these bodies is helping in the development of village leadership.

VILLAGE HOUSING

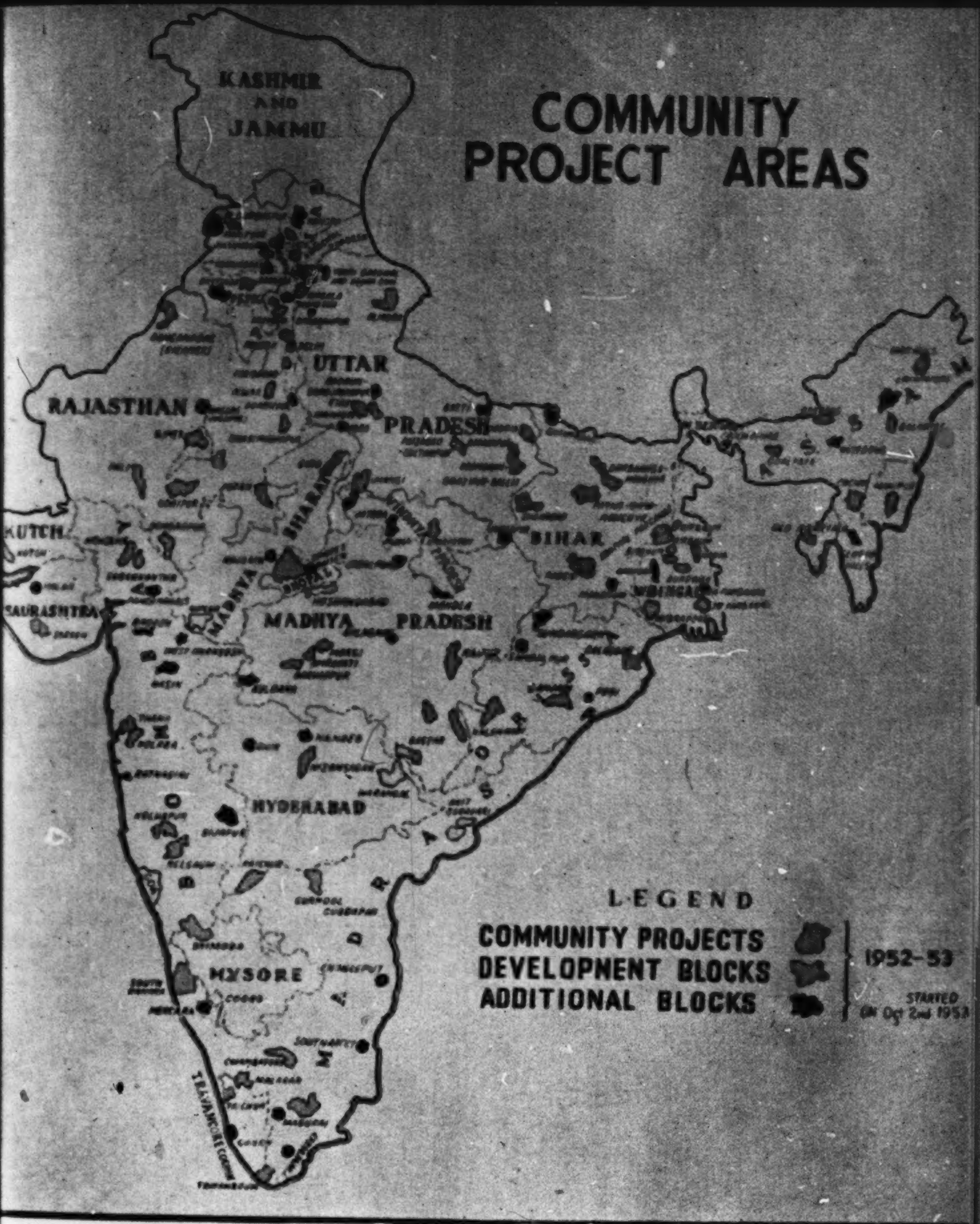
Improvement of village houses is another important aspect of the community programme. During the period under review, over 15,000 rural houses were re-conditioned in the community project areas and 1,669 new houses constructed, all by the village people.

TRAINING PROGRAMME

Special steps have been taken to train village level workers in large numbers. 34 training centres were set up in different parts of the country for giving extension training to village level workers. 2,592 village level workers have so far been trained and 1,654 are under training; 306 supervisory personnel have also been trained and 260 are under training. The persons already trained have been posted in various community project areas.

In addition to providing extension training, steps for providing basic training in agriculture and allied subjects to the village level workers have also been taken. Twenty-two out of the 34 existing Extension Training centres will have new wings attached to them for providing this basic training in agriculture. In addition, 12 existing agricultural schools are proposed to be re-organised and 22 new schools are to be set up.

To provide trained personnel in the sphere of Social Education, 5 training centres were started in April, 1953. These centres are situated at Nilokheri, Hyderabad,



COMMUNITY PROJECT AREAS

KASHMIR AND JAMMU
UTTAR PRADESH
RAJASTHAN
KUTCH
SAURASHTRA
MADHYA BHARAT
BHOPAL
MADHYA PRADESH
BIHAR
W. BENGAL
HYDERABAD
MYSORE
TRAVANCORE COCHIN
LEGEND
COMMUNITY PROJECTS
DEVELOPMENT BLOCKS
1952-53
ADDITIONAL BLOCKS
STARTED ON Oct 2nd 1953

Gandhigram, Shantiniketan and Allahabad. While the first four of these centres are training social education organisers, the Allahabad centre is training the chief social education organisers. So far, 64 chief social education organisers and 252 social education organisers have been trained at these centres.

Apart from the two training courses mentioned above, special training for certain types of personnel required in the community projects is also being arranged. For example, for providing training to block development officers, three training centres, distributed on a regional basis are proposed to be opened from April 1, 1954. A programme for training of the health personnel required for the projects has been worked out in conjunction with the Union Ministry of Health. This programme covers the training of lady health visitors, midwives and also a new category of personnel called "auxiliary nurse midwife" and *dais*.

In addition, a special re-orientation programme for the health educators in the various Extension Training centres as well as the health personnel who are actually working in the community project areas has also been arranged.

CHAPTER IV

IRRIGATION AND POWER

ALONG WITH the extension services, the development of irrigation is the principal spearhead of economic advance in rural areas. With only a fifth of the cultivated area under irrigation and large tracts exposed to the vagaries of rainfall, it was natural that irrigation programmes should find the first place in the Five Year Plan. Since only a fraction of the irrigation potential of the country has been tapped so far, in most States the development of water resources is still one of the best forms of public investment. Irrigation based on storage dams also offered the opportunity of providing power and thus promoting regional development in a wider sense.

The programme of irrigation and power in the First Five Year Plan forms part of a more long-term objective, namely, the doubling in a period of 15 to 20 years of the area under irrigation and the production of power amounting to about 7 million kW. The immediate programme includes about 140 large irrigation schemes and about 100 power schemes. Of the total outlay on irrigation and power development of about Rs. 670 crores which the Plan envisages, Rs. 430 crores are to be devoted to multipurpose and irrigation projects, Rs. 128 crores to power schemes and Rs. 112 crores to minor irrigation schemes. During the period of the present Plan five important multipurpose schemes are also to be begun: the Koyna in Bombay, the Rihand in Uttar Pradesh, the Kosi in Bihar, the Chambal which is already in hand and will serve

Rajasthan and Madhya Bharat, and a project on the Krishna river for the development of parts of Hyderabad and Andhra. Recently the irrigation programme has been further strengthened by the inclusion in the Plan of a number of medium irrigation projects for areas exposed to chronic scarcity. To achieve this object a number of irrigation schemes in these areas which are already in progress are also being accelerated.

During the years 1951-53 as a result of the completion of the larger irrigation schemes in the Plan, more than 1·5 million acres of new land have been brought under irrigation. The additional power capacity installed has increased to the extent of 425,000 kW. The results attained in different States are shown in tables appended to this Chapter.

MULTI-PURPOSE PROJECTS

1. BHAKRA-NANGAL PROJECT

The project consists of—

(*i*) the Bhakra dam across the Sutlej,

(*ii*) the Nangal dam, 8 miles down-stream,

(*iii*) the Nangal power channel,

(*iv*) two Power Houses on the Nangal canal,

(*v*) the Bhakra canal system, and

(*vi*) transmission lines.

Work on the Bhakra-Nangal Project has been proceeding satisfactorily and it is expected that irrigation will begin during the 1954 *kharif* season. At the Bhakra dam site, the two 50′ diameter diversion tunnels are in an advanced stage of completion. The work on the Nangal dam is nearing completion and installation of gates is in progress. On the Nangal hydel channel, work is ahead of schedule, 638 million cft. of earthwork having been excavated up to October, 1953.

The excavation of the foundations at both power houses Nos. 1 and 2 has been completed and a good part of the super-structures involving 38 lakh cft. of concreting has been completed. According to present expectations, power house No. 1 and a large part of the transmission system will be in commission by the middle of 1954. As regards the canal system comprising 518 miles of main and branch canals and 2,000 miles of distributary channels, work is being accelerated so that larger areas can be brought under irrigation during the next *kharif* season. Partial irrigation has already commenced. About 19,000 acres were irrigated in 1951-52 and about 100,000 acres during 1952-53.

2. Damodar Valley Project

The project at full development involves the construction of eight dams on the Damodar and its distributaries, the thermal station at Bokaro and an irrigation canal system. The first phase of the project, as included in the Plan, consists of:

(*i*) the Bokaro thermal station of 150,000 kW. capacity,
(*ii*) the Tilaiya dam with a power station,
(*iii*) the Konar dam,
(*iv*) the Maithon dam with a power house,
(*v*) the Panchet Hill dam,
(*vi*) the Durgapur barrage and canals; and
(*vii*) the Transmission line system.

The work on the Damodar Valley Project is making good progress. The Bokaro thermal station of 150,000 kW. capacity has been completed. The construction of the Tilaiya dam has been completed. The hydro-power station with two generating sets of 2,000 kW. each has been commissioned. An area of 5,000 acres was irrigated from this dam during 1952-53.

At the Konar dam. whose reservoir behind will provide cooling water for the Bokaro thermal station, 80 per cent of the earthwork and about 95 per cent of the concrete have been laid.

The construction work on the Maithon dam is in full swing. The winter flow of the river has been diverted through a tunnel. About one-third of the work on the main dam has been completed. The entire work on the dam is scheduled to be completed by June, 1954, and on the hydro-electric station by March 1955. Work on the Panchet Hill dam, the Durgapur barrage and canals is in the early stages of construction.

Over 150 miles of the main transmission lines have already been erected and good progress made on another length of 92 miles. Five grid sub-stations and four receiving stations have already been brought into operation.

3. HIRAKUD DAM PROJECT

The Hirakud Dam Project is the first of a series of three dams for the integrated development of the Mahanadi Valley in Orissa. The project is designed to provide for irrigation, flood-control, power and navigation. The first stage of the Hirakud Dam Project consists of:

(*i*) a dam built of concrete, masonry and earth,
(*ii*) earth dykes on both flanks,
(*iii*) the canal system one on either side,
(*iv*) a power house at the dam with an installed capacity of 1,23,000 k.W., and
(*v*) transmission lines.

In the phasing of the programme, greater emphasis has been laid on the irrigation and flood-control aspects of the project.

On the main dam, 8·6 million cft. of concrete and masonry work has been done upto the end of September 1953 which represents about 23 per cent of the total quantity of work involved. On the earth dam, about 28 per cent of the work has been completed.

As regards work on the dykes, for the embankment on the left dyke up to end of September 1953 62:7 m.cft. of earthwork has been done and the progress is satisfactory. On the right dyke, however, excavation is behind schedule but better progress is anticipated during the working season of 1953-54.

The total quantity of work done on the main canals and drainages; and distributaries and minors amounts to 310 m.cft. and 50 m.cft. respectively. The work on masornry structure has been started during the current working season.

As regards the power house, draft tubes for two 24,000 k.W. generators have been received at site and erection of these sets is expected to be taken up during the current working season. Detailed route surveys on 67 miles of the transmission system have been completed.

There has been some set-back due to bad foundation material which has been met with in the power dam and spillway sections, necessitating deeper foundations and additional drilling and grouting.

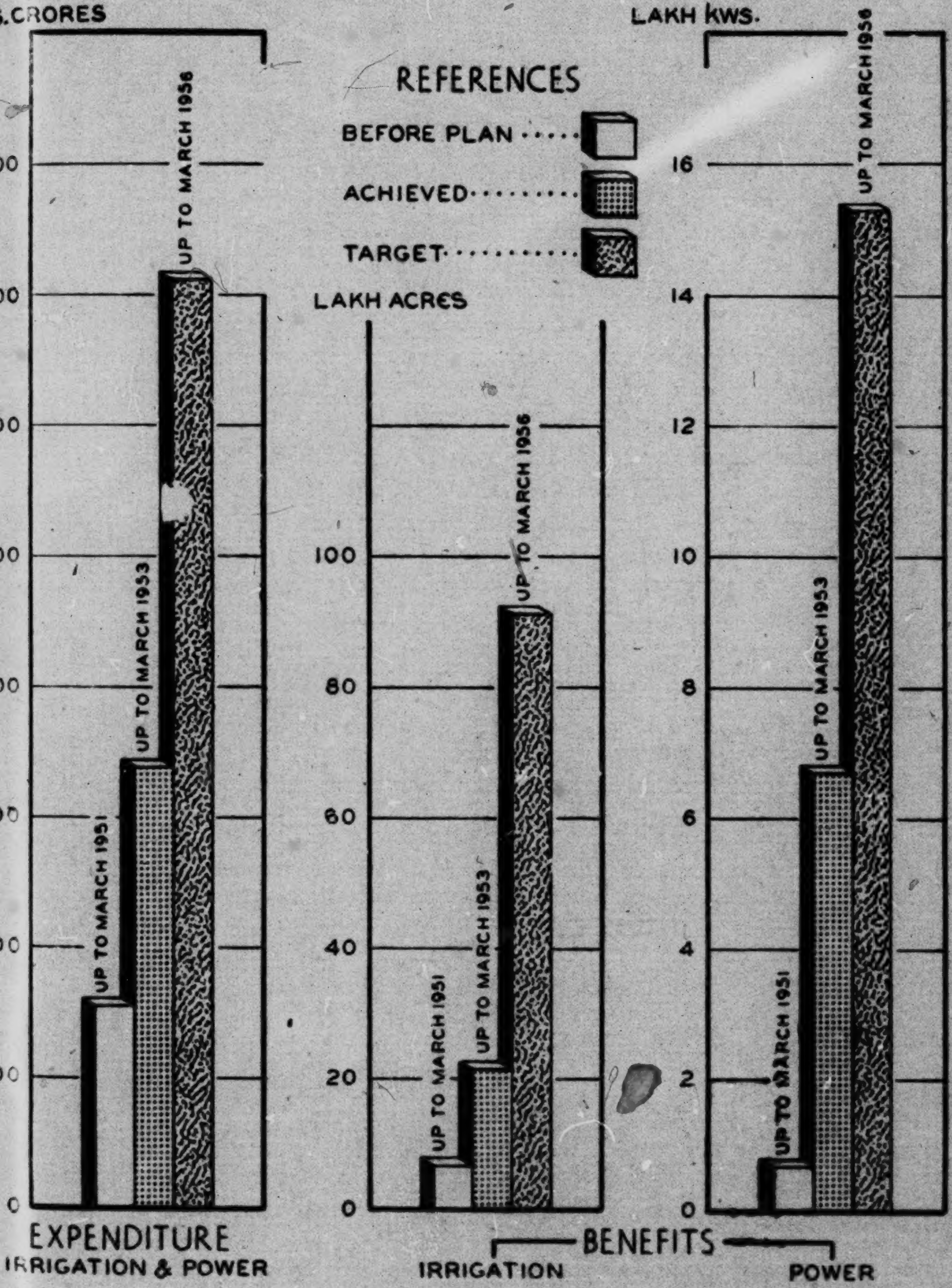
NEW SCHEMES

1. KOYNA PROJECT

Administrative approval to the stage I of this project, which is estimated to cost Rs. 33·22 crores has been recently accorded by the Government of Bombay. The International Bank have arranged for experts to study the project on the along with certain aspects of the power requirements of the city of Bombay, the Bombay-Poona area and other areas to be served by power from the Koyna.

IRRIGATION & POWER PROJECTS

TARGETS & ACHIEVEMENTS



GOVT. OF INDIA
PLANNING COMMISSION

2. RIHAND PROJECT

This project is expected to generate 240,000 k.W. of power for agricultural and industrial advancemest in the eastern parts of U.P., the western part of Bihar and the neighbouring areas in Vindhya Pradesh and Madhya Pradesh. Work on the project will commence shortly. The project has been included in the Indo-U.S. Technical Co-operation Programme for 1953-54 for the supply of equipment.

3. KRISHNA PROJECT

Investigations and surveys on the lines recommended by the Technical Committee appointed by the Planning Commission have been in progress and will shortly be completed. Field-work on the Nandikonda dam has been carried out. A report on the proposals has been prepared by the Government of Madras. The other reports giving the results of the investigations are expected to be ready shortly.

4. CHAMBAL PROJECT

Stage I of the Chambal Project has been included in the Plan, the estimated cost of which, according to the joint project report by the Governments of Madhya Bharat and Rajasthan in 1952, is Rs. 33·75 crores.

The excavation of foundations at the Gandhi Sagar dam site in Madhya Bharat has been taken in hand and up to June 1953 about 1·5 million cft. of earthwork was accomplished.

Surveys for the alignment and preparation of preliminary estimates for the main canal have been completed. Other phases of investigations such as revenue, agricultural and soil surveys are under way.

5. KOSI PROJECT

Investigations for the first stage have been completed. An advisory committee has recently scrutinised the proposals for the project and recommended the implementation of the first stage of the project which is to consist of:

(*i*) a Barrage at Hanuman Nagar, costing Rs. 13·27 crores,

(*ii*) flood Banks from Hanuman Nagar, extending nearly 70 miles on either side at an estimated cost of Rs. 10·67 crores,

(*iii*) a canal system to irrigate 1·4 million acres in Bihar and 180,000 acres in Nepal at an estimated cost of Rs. 16·32 crores.

The total cost of the first stage of the project thus expected to be is Rs. 40·26 crores, of which perhaps about Rs. 9 crores may be spent during the remaining period of the Plan. Besides affording irrigation facilities to about 1·6 million acres in Bihar and Nepal, the project will provide flood protection to a large area lying between Hanuman Nagar and Jhamta on the right bank and Bangaon on the left bank.

EMPLOYMENT

The employment potential of major irrigation and power projects in the Plan, has been roughly estimated to be about 2½ lakhs annually, but a closer study is now being made. The actual employment increase in the case of power schemes arises only when the power projects have been completed; either existing industries expanded or new industries started. As an illustration of the magnitude of the employment potential, it may be stated that roughly about half a million persons will be provided with employment from the power generated from a new project like the Koyna or the Rihand Project.

PUBLIC CO-OPERATION

As in other fields, public co-operation is essential for the effective implementation of irrigation and power projects in the Plan. The promotion of village labour

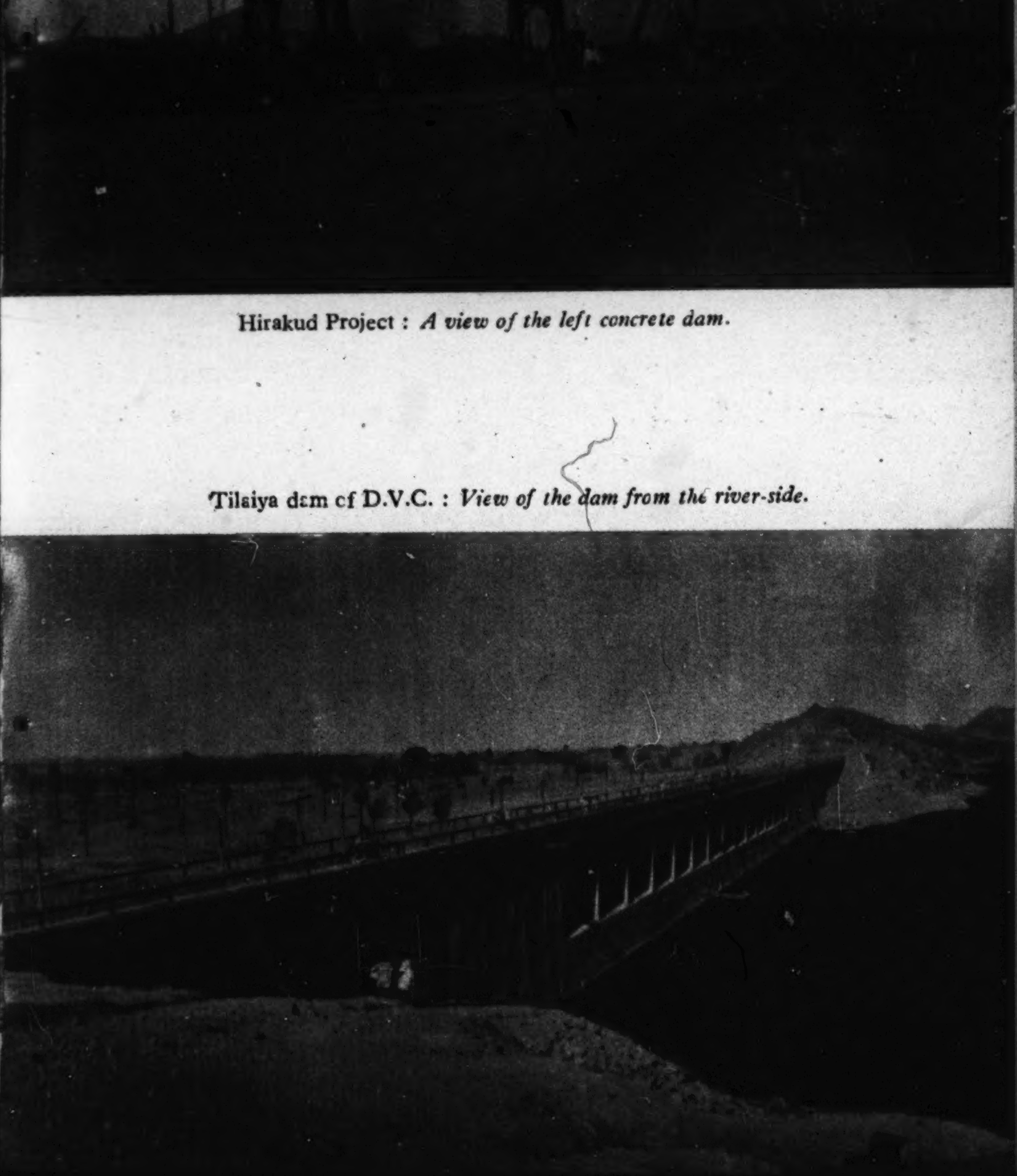
5

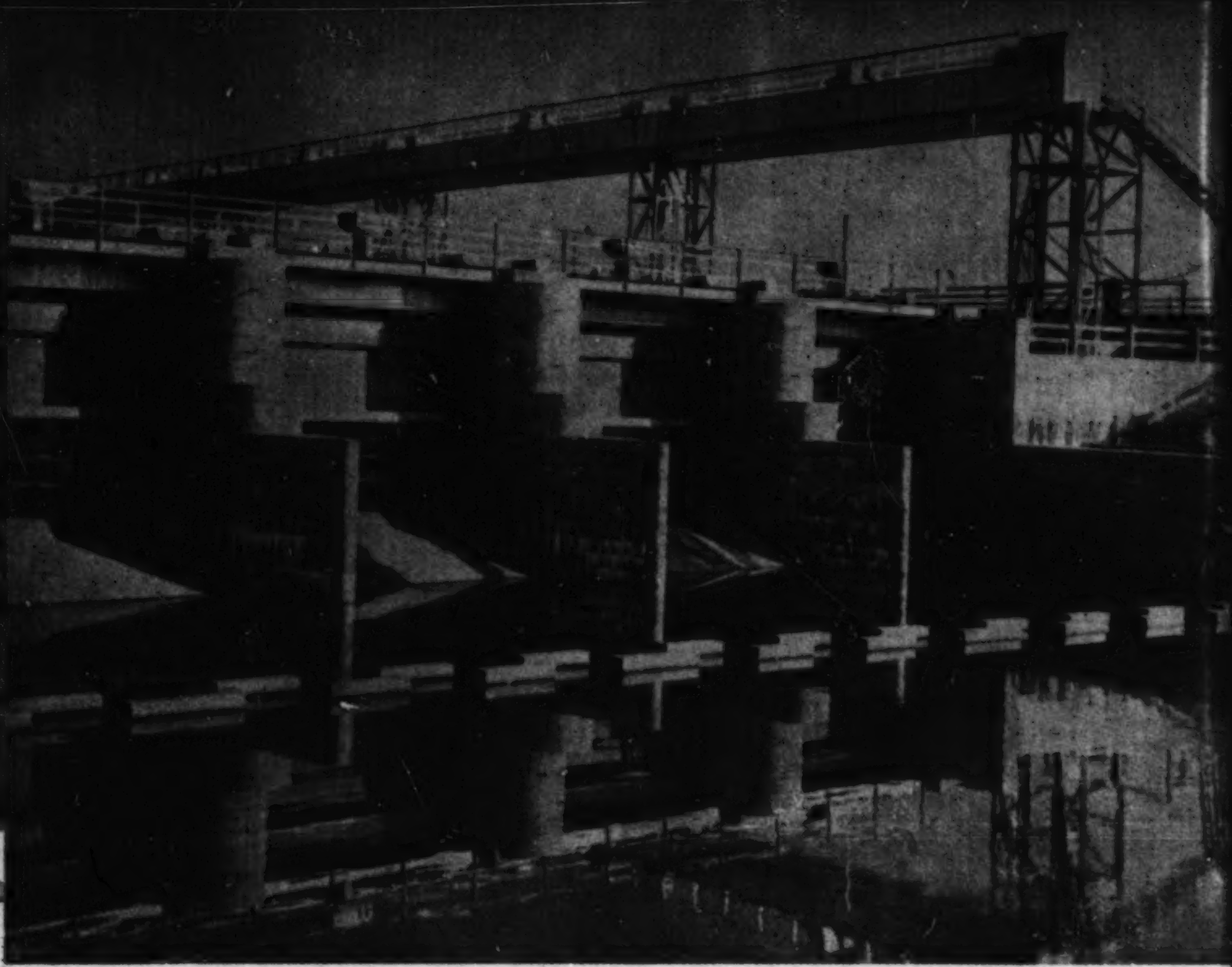
Kakrapar Project Gujerat : *Excavation work is on.*

A view of the Lower Bhawani dam.

Hirakud Project : *A view of the left concrete dam.*

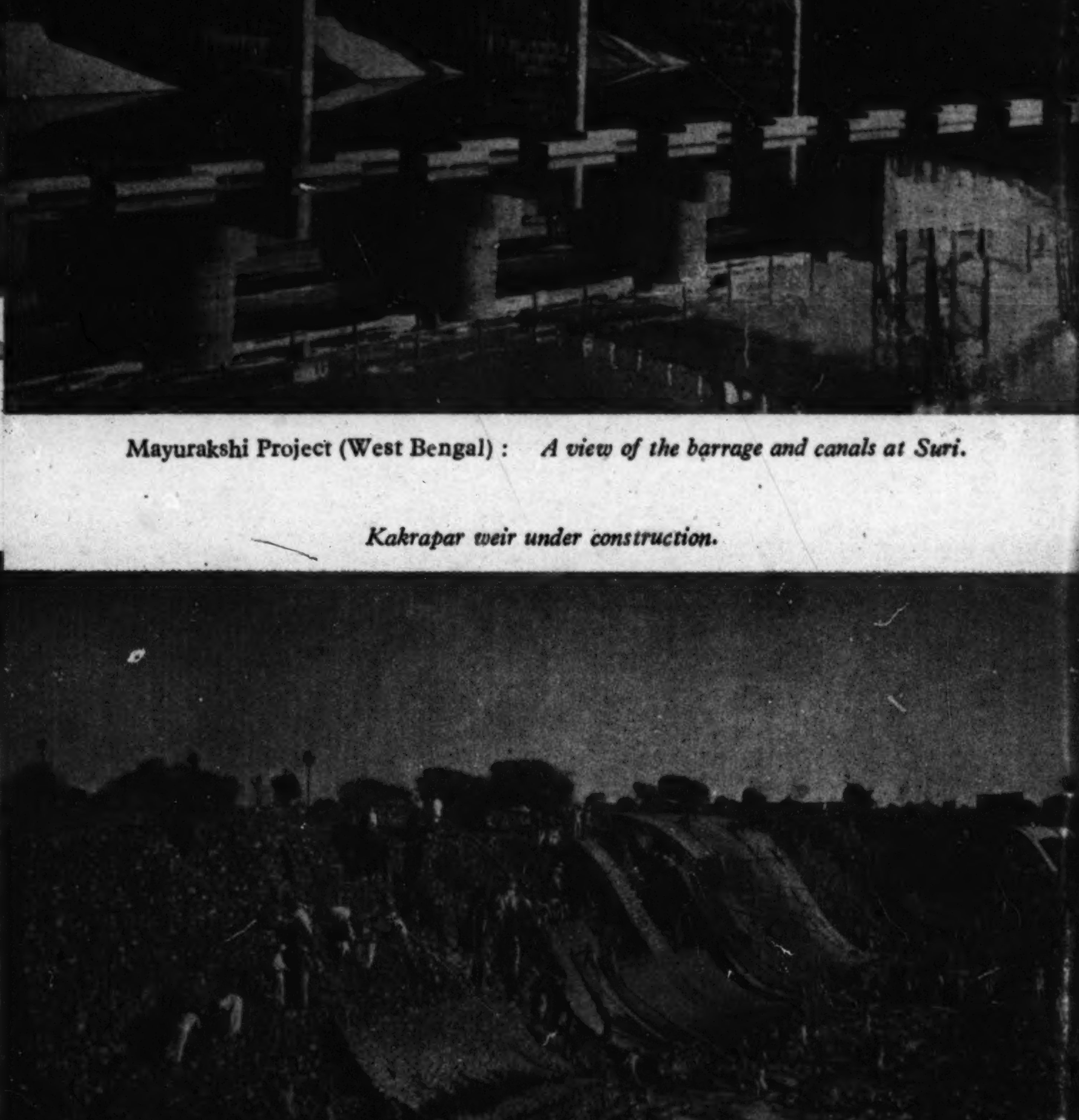
Tilaiya dam of D.V.C. : *View of the dam from the river-side.*





Mayurakshi Project (West Bengal) : *A view of the barrage and canals at Suri.*

Kakrapar weir under construction.



Pykara Hydro-Electric Project : *In the foreground is the power house.*

Malampuzha Project : *A view of masonry dam.*

co-operatives for the construction of distributaries and other local works is therefore an important element in the success of the Plan. In Bombay, for instance, an effort has been made to entrust works to labour co-operatives without calling for tenders. The number of labour co-operative societies has increased from 11 in June, 1949 to 43 in July, 1953. In Madras also labour camps consisting of men from various districts have been organised in connection with the Lower Bhawani Project. In the Punjab several minors constructed by labour co-operatives were opened during the past years.

In Rajasthan labour co-operatives have been formed with the help of contractors and earthwork on channels is being done through them. These are a few examples of a more widespread trend which needs to be encouraged actively as an integral aspect of the execution of the Plan.

BETTERMENT FEES

Bombay, Punjab, Hyderabad, Mysore, Rajasthan and PEPSU have enacted legislation for the levy of betterment fees and Assam, Madras, West Bengal, and Uttar Pradesh are considering proposals for legislation. Several other States, such as Bihar, Orissa, Madhya Bharat and Travancore-Cochin, have accepted principle of betterment charges. The levy of betterment fees and adjustments in water rates are among the major sources of additional finance which State Governments are expected to develop with a view to financing their development programmes and it is important that in States which have not yet implemented this recommendation the necessary steps should be completed at an early date.

TABLE I—*Progress of*

Project	Five Years' cost	Progress of Expenditure (Rs. lakhs)			Area Irrigated ('000 acres)			
		1951-52 (Actuals)	1952-53 (Revised)	1953-54 (Budget)	1951-52 Plan	1951-52 Actual	1952-53 Plan	1952-53 Actual
Bhakra Nangal	7,750	1,214	1,900	2,215	19	19	101	101
Harike . .	1,062	108	250	150	..	..	..	..
Damodar Valley Project	4,170	1,350	1,572	1,463	..	..	26	5
Hirakud .	4,400	858	835	1,172	..	..	..	..
Additional provision for revised estimates .	5,000	..	..	..	..	..	..	..
TOTAL .	22,382	3,530	4,557	5,000	19	19	127	106

Multipurpose Projects.

(Additional) 1953-54 (Plan)	(Additional) Five Years' Target	(Additional) On Completion	Power Installed (in Kilowatts) 1951-52 Plan	1951-52 Actual	1952-53 Plan	1952-53 Actual	1953-54 (Plan)	Five Years' Target	On Completion
138	1,361	3,604	..	..	..	..	..	96,000	1,44,000
..	..	..	..	..	..	..	..	..	..
110	595	1,141	..	..	..	154,000	154,000	194,000	274,000
..	261	1,785	..	..	..	..	..	48,000	123,000
..	..	..	..	..	..	..	..	..	..
248	2,217	6,530	..	..	..	154,000	154,000	338,000	541,000

TABLE II—*Progress of Irrigation Projects in the States.*

Name of State	Five Years' cost	Progress of Expenditure (Rs. lakhs)			Area Irrigated (additional) ('000 acres)					Five Years' target
					1951-52		1952-53		1953-54	
		1951-52	1952-53	1953-54	Plan	Actual	Plan	Actual	Plan	
PART 'A' STATES										
1. Assam	200	1	12	76	..	..	30	15	90	218
2. Bihar	973	148	129	199	77	NA	180	146	336	675
3. Bombay . . .	2,269	233	250	467	2	1	116	2	140	474
4. Madhya Pradesh . .	308	10	10	59	5	5	10	10	21	114
5. Madras . . .	3,408	779	844	550	..	..	42	42	206	435
6. Orissa	300	72	70	60	124	126	263	226	350	480
7. Punjab	326	77	133	111	97	148	176	242	363	666
8. Uttar Pradesh . .	1,911	221	444	541	123	273	528	550	832	,361
9. West Bengal . . .	1,538	190	399	417	173	100	360	120	619	917
TOTAL . . .	11,223	1,731	2,291	2,480	601	653	1,605	1,353	2,957	5,349

PART 'B' STATES										
10. Hyderabad . . .	2,479	400	440	477	..	..	31	32	102	306
11. Jammu & Kashmir .	340	49	57	85	2	NA	8	NA	16	76
12. Madhya Bharat . .	328	29	31	50	4	16	19	17	29	83
13. Mysore . . .	716	88	119	140	5	5	7	8	12	30
14. PEPSU . . .	34	3	7	14	..	..	..	..	..	..
15. Rajasthan . . .	504	56	64	140	11	9	73	63	129	243
16. Saurashtra . . .	475	54	142	153	4	2	20	11	26	108
17. Travancore Cochin .	478	85	88	90	..	..	..	..	..	17
TOTAL . . .	5,354	764	948	1,149	26	32	158	131	224	863
PART 'C' STATES										
18. Ajmer	11	..	..	1	..	..	..	1	..	..
19. Himachal Pradesh . .	80	..	5	33	..	..	..	5	25	75
20. Kutch . . .	91	3	26	33	..	..	..	..	12	38
TOTAL . . .	182	3	31	67	..	..	..	6	37	113
GRAND TOTA . .	16,769	2,498	3,270	3,696	627	685	1,763	1,490	3,308	6,316

TABLE III—*Progress of Power Projects in the States.*

States	Targets '000 kW)				Progress of expenditure (Rs. lakhs.)			
	Five years'	1951-53 Plan	1951-53 Achievement	1953-54 Anticipated	1951-52 Actuals	1952-53 Revised	1953-54 Budget	Five Years' total
PART 'A' STATES								
Assam	5	..	..	..	..	1	54	158
Bihar	11	4	5	5	84	159	133	709
Bombay	83	21	21	67	251	310	332	1,043
Madhya Pradesh	73	51	51	73	143	113	139	600
Madras	196	58	58	163	806	789	927	5,024
Orissa	8	7	4	7	59	73	87	391
Punjab	..	..	..	..	6	12	10	38
Uttar Pradesh	109	26	14	29	226	312	460	1,410
West Bengal	4	..	..	..	25	32	12	76
TOTAL PART 'A' STATES	489	167	153	344	1,600	1,801	2,154	9,449

PART 'B' STATES								
Hyderabad . . .	53	..	5	53	72	73	91	321
Jammu & Kashmir . .	7	..	..	..	18	28	44	155
Madhy Bharat . . .	15	4	6	14	39	86	58	228
Mysore	72	36	72	72	190	213	134	1,268
PEPSU	..	..	..	..	5	8	13	30
Rajasthan. . . .	11	11	11	11	40	12	15	41
Saurashtra . . .	12	3	..	3	..	5	51	213
Travancore Cochin . .	81	21	21	73	237	217	270	1,035
TOTAL PART 'B' STATES .	251	72	115	226	601	642	676	3,291
PART 'C' STATES								
Bhopal	5	3	3	..	4	5	12	28
Coorg	..	..	..	..	..	..	12	35
Kutch	..	..	..	..	..	8	12	23
Tripura	..	..	..	..	..	..	4	7
Vindhya Pradesh . .	3	..	..	..	..	..	15	51
Himachal Pradesh . .	1	..	..	..	..	3	4	15
Manipur	..	..	..	..	..	..	1	12
TOTAL PART 'C' STATES	9	3	3	..	4	16	60	171
MULTIPURPOSE PROJECTS	338	..	154	154	3,530	4,557	5,000	22,382
GRAND TOTAL . .	1,087	242	425	724	5,735	7,016	7,890	35,393

CHAPTER V

INDUSTRY

THE PLANNING COMMISSION suggested targets for production for a number of major industries and also laid down the following general priorities in this field:—

(1) Fuller utilisation of existing capacity in producer goods industries like jute and plywood, and consumer goods industries like cotton textiles, sugar, soap, vanaspati, paints and varnishes;

(2) Expansion of capacity in capital and producer goods industries like iron and steel, cement, fertilisers, aluminium, heavy chemicals and machine tools;

(3) Completion of industrial units on which a part of the capital expenditure had already been incurred; and

(4) Establishment of new plants for the manufacture of certain basic commodities from raw materials available within the country, *e.g.* the manufacture of sulphur from gypsum, the production of pulp suitable for paper and newsprint, and the production of non-ferrous metals like zinc, copper and tin from scrap or from indigenous ores.

FULLER UTILISATION OF EXISTING CAPACITY FOR ACHIEVING HIGHER PRODUCTION

On the whole quite good progress has been made towards the achievement of targets in accordance with the priorities laid down. Taking first those producers and consumer goods industries in respect of which higher levels of production were required to be obtained from existing plants without any significant increase in installed capacity, it will be seen from the statistics given in Table I that in most cases production has increased considerably and that in one or two instances the targets set for 1955-56 have already been reached. This increased production has been achieved largely by fuller utilisation of existing capacity rather than by fresh installations. Such modest increases in capacity as have taken place are mainly due to the completion of new units already under construction in April 1951. The salient features regarding some of these industries are noted below:—

1. *Cotton Textiles*—Production of cotton yarn increased from 1,179 million lbs. in 1950-51 to 1,450 million lbs. in 1952-53. There is every prospect of reaching the target of 1,640 million lbs. in the next two years.

As regards cotton cloth, the Plan fixed separate increases for the mills and for the handloom sector, *viz.* 4,700 million yards and 1,700 million yards compared with 2,718 million yards and 810 million yards per annum respectively in 1950-51. The mills very nearly achieved their target in 1952-53 and will probably go beyond it in the current year. The handloom industry on the other hand has passed through a severe crisis and special measures were necessary to prevent wide-spread unemployment among handloom weavers. With a view to obtaining resources for building up the competitive strength of the handloom sector, the Central Government passed the Khadi and Other Handloom Industries Development (Additional Excise Duty on Cloth) Act, 1953, providing for the imposition of a cess of three pies per yard on mill cloth. Grants and loans totalling Rs. 2·56 crores up till the end of 1953 were made to the various State Governments by the Central Government for schemes for establishing co-operative dye houses and spinning mills, providing working capital, establishing model handloom production centres, and improving marketing organisation. The restrictions imposed on the production of dhoties by mills coupled with other measures of assistance such as larger supplies of yarn have reversed the downward trend in production by handlooms which is estimated to be currently running at the rate of about 110 to 120 million yards per month.

A clear picture of the lines on which the future development of the cotton textiles industry should be patterned is expected to emerge from the report of the Textile Enquiry Committee to be submitted to Government in early 1954. So far the installation of additional loomage has not been permitted as a matter of policy, since the Plan visualised significant expansion of cloth production in the handloom sector and the existing loomage of mills was deemed to be adequate for achieving the target for mill cloth.

2. *Sugar*—The sugar industry almost achieved in 1951-52 the target of 15 lakh tons that has been set in the Plan, but production fell to 13·2 lakh tons in the following year. There has been a small addition to capacity as a result of three units, which were under construction in April 1951, having gone into production. Furthermore, in conformity with the recommendations of the Planning Commission, a few factories have been allowed to shift to more favourable areas in the country. If sufficient cane is available, the production of 15 lakh tons can be achieved without difficulty. The demand for sugar is increasing rapidly.

3. *Soap and Vanaspati*—The soap and vanaspati industries have also registered increases despite the high prices of their raw materials. The increases in production are, however, modest in comparison with the targets for 1955-56. Partial substitution of cheaper raw materials, *viz.*, cotton seed oil in place of groundnut oil in the vanaspati industry and imported palm oil in place of groundnut oil in the soap industry, neutralised to some extent the increases in costs of production.

4. *Tea chest plywood*—Production increase is significant from about 45 million square feet in 1950-51 to over 73 million square feet in 1952-53 but has fallen back in the current year. There is still some way to go to reach the target of 100 million square feet. Since the grant of protection to this industry there has been a welcome improvement in the quality of tea chest plywood.

Not much progress has been made by the *jute* industry and the same is true of *paints* and *varnishes*. But, on the other hand, higher levels of production have been recorded by the *power alcohol, salt, match,* and *paper and paper board industries.*

There has also been considerable expansion of production of a number of durable consumer goods, for instance, *bicycles, sewing machines, electric lamps* and *hurricane lanterns,* and export markets have been developed for some of these goods. The production of bicycles has risen from 101,000 in 1950-51 to 191,000 in 1952-53, and of *sewing machines* from about 33,000 to over 52,000. In the bicycle industry the increase in production has largely stemmed from three new units commencing manufacture during this period.

EXPANSION OF CAPACITY OF CAPITAL AND PRODUCER GOODS INDUSTRIES

Turning now to the capital and producer goods industries whose expansion was considered necessary because existing units, even if operated at full capacity, could not meet indigenous demand, the highest priority was given to Iron and Steel. Among the producer goods industries, cement and fertilisers were ranked high in importance. Special mention was also made of aluminium and heavy chemicals and of the need for developing industries for the manufacture of locomotives, machine tools, textile machinery and heavy electrical machinery. The progress is shown in

Table II and the more important features are noted below:—

1. *Iron and Steel*—The scheme for the establishment of a completely new Iron and Steel Plant has for various reasons not progressed as fast as could have been wished, but an agreement has now been signed with Messrs. Krupp and Demag for financial and technical collaboration in connection with this project. The initial capacity of the new plant, which is expected to be completed within four years from the date of the selection of the site, will be about 500,000 tons of steel, but the layout will be designed in such a way as to permit of further expansion to 1 million tons per annum. Of the total estimated cost of about Rs. 75 crores the German collaborators are expected to contribute upto a maximum of Rs. 9·5 crores, the exact amount of their contribution depending on the value of the plant and equipment which may ultimately be purchased from Germany. The final choice of the site for this new unit is expected to be made before the end of the current financial year.

Apart from this project, the expansion schemes of the Tata Iron & Steel Company (capacity for finished steel to be increased from 750,000 tons to 932,000 tons), the Indian Iron & Steel Company (IISCO) (capacity for finished steel to be increased by stages from 225,000 tons to 624,000 tons) and the Mysore Iron & Steel Company have also been taken in hand and appreciable progress has been made with them. The installation of the Mysore Company's two new electric furnaces has been completed and one of them came into operation in October 1952, thereby increasing the capacity for the production of pig iron from 28,000 to 61,000 tons. The other two Companies spent about Rs. 4·5 crores on their expansion schemes during 1951-53 and about Rs. 7·7 crores are likely to be spent in the current year. A loan of 31·5 million dollars has been secured from the International Bank for facilitating the implementation of IISCO's expansion and Government have also agreed to advance loans out of the equalisation fund to these companies in this connection. By the end of the period of the Plan the output of finished steel is expected to be increased by about 300,000 tons.

2. *Aluminium*—The expansion schemes of existing producers, Messrs. Indian Aluminium Company and the Aluminium Corporation of India, are under implementation and are expected to be completed before the middle of 1954 when the capacity for the production of virgin aluminium would be increased by 3,000 to 7,000 tons per annum. The schemes of the Indian Aluminium Company to establish a smelter at Sambalpur (Orissa State) with an annual capacity of 10,000 tons of aluminium has been licensed by Government and proposals of the Aluminium Corporation of India to expand the capacity of their plant still further so as to achieve an annual output of 5,000 tons per annum are under consideration.

3. *Cement*—Since the commencement of the Plan three new plants (The Sevalia Factory of the Associated Cement Company; the Sawai Madhopur Factory of Jaipur Udyog Mandal Ltd. and the Rajgangpur Factory of Orissa Cement Ltd. managed by the Dalmia Group) have gone into production and the expansion and modernisation programmes of seven existing factories have been completed. Three other new units are under construction. As regards actual production, this amounted to over 3½ million tons in 1952-53 actual production compared with about 2·69 million tons in 1950-51—an increase of over 800,000 tons. All the expansion schemes visualised under the Five Year Plan excepting one have been licensed so far and in view of the importance of cement to the national economy, a few more proposals for expansion have also been approved.

4. *Fertilisers*—The output of fertilisers has been stepped up mainly as a result of the Sindri Fertiliser Factory going into production from November 1951. As against 46,304 tons in 1951 production of ammonium sulphate went up to 252,000 tons in 1952-53.

The construction of coke ovens with a daily output of 600 tons of coke at the Sindri Fertilisers Factory is progressing according to schedule and will make the factory self-sufficient in regard to coke requirements before the end of 1954. The coke ovens are being equipped to recover benzene, xylene and other primary organic chemicals required by the pharmaceutical, dyestuff and other consumer industries. Plans for the production of urea and ammonium nitrate by making use of by-product coke oven gases have taken concrete shape with the submission of the report by the Indian Fertiliser Mission. Tenders have been invited from a select group of firms of repute and final decisions on this Rs. 6 crore scheme are expected to be taken before the end of 1953-54.

Capacity for the production of superphosphate has been increased from 123,000 to 193,000 tons per annum since the beginning of the Plan period, but actual production has not risen since the abolition in August 1952 of the superphosphate Pool under which State Governments lifted stocks of fertiliser from the factories and arranged for its distribution. The shortfall is a temporary factor and a recovery could be expected with reorganisation, marketing and sales development envisaged by the producers.

5. *Heavy Chemicals*—Despite a considerable expansion in capacity, the actual production of sulphuric acid is still running at about the same level as in 1950-51, the stagnation being partly due to lack of expansion of demand for superphosphate. There has also been no significant increase in the production of soda ash, but projects for the expansion of capacity at both the existing soda ash factories are at varying stages of implementation. On the other hand, in the case of caustic soda there has been an increase both in capacity and production which has been achieved through the completion of the expansion schemes of two factories already in production and the commencement of production by two new units. Caustic soda manufacture is

one of the industries for which conditions have been favourable and Government have approved four new proposals for expansion or for new units.

6. *Machine tools*—The Ambernath Machine Tool Prototype Factory under the Ministry of Defence is an important heavy engineering project which went into production recently. This factory will assist in overcoming shortages in an important sector of capital goods required for defence establishments. The Government Machine Tool Factory at Jalahalli has been fulfilling its programme of construction according to schedule and is expected to go into production in 1954.

7. *Locomotives*—The manufacture of locomotives by the locomotive factory at Chittaranjan has gathered momentum and recently the hundredth locomotive was turned out. Of these 100 locomotives, 48 have been produced since March 1953. It is planned to step up production to 70 locomotives in 1954 and to 90 in 1955. At the end of 1952 the factory was producing approximately 4,300 components against 4,467 to be ultimately manufactured there.

8. *Textile Machinery*—The factory of Machinery Manufacturers Corporation Ltd. for making carding engines has been completed and has gone into production. The capacity for the production of looms has been increased and the range of products extended to include automatic looms.

9. *Heavy Electric Machinery*—A provision of Rs. 10 lakhs was made in the current year's budget of the Ministry of Production to meet preliminary expenses in connection with a project for the manufacture of heavy electrical machinery in this country. A project report submitted by a well known American firm in 1949 requires revision in a number of ways, mainly because certain lines of production have since been undertaken by private firms. The whole project is therefore being modified and firms of international standing are being invited to submit fresh project reports.

Brief mention may also be made of two other producer goods industries where considerable increase of capacity has been achieved. In the *sheet glass* sector of the glass industry the Plan envisaged a nearly five-fold expansion of capacity *viz.*, from about 11,700 tons per annum to 52,200 tons. The installed capacity stands today at 38,000 tons per annum and one new sheet glass factory which is scheduled to go into production very soon will add another 14,000 tons to the capacity.

Two *rayon filament* factories, which went into production before the commencement of the Plan, have steadily increased their output from 400,000 lbs. in 1950-51 to 8·9 million lbs. in 1952-53 and have also taken in hand programmes for expanding capacity which are expected to be completed in 1954. Another factory with a planned capacity of 4 million lbs. of cellulose acetate filament, which was under construction in 1951, is due to go into production before the middle of 1954.

10. *Completion of units already begun*—The increase in the capacity of the various industries, details of which are given in Tables I and II, is mainly the result of the completion of new units which were already under construction at the commencement of the Plan. Broadly speaking, it can be said that all the new industrial plants on which some capital expenditure had already been incurred before April 1951 have since then either gone into production or are progressing according to schedule. Among major projects falling in this category, which have not already been referred to earlier, are the factory of Indian Rare Earths Ltd. in Travancore and the Titanium dioxide factory of Travancore Titanium Products Ltd. and the dyestuffs and pharmaceutical factory of Atul Products Ltd. All of these have gone into production. Two major projects in the public sector falling in this category and yet to be completed are the U.P. Government Cement Factory and the Newsprint Project of the Madhya Pradesh Government. Both of these are expected to start production in 1954.

ESTABLISHMENT OF NEW PLANTS FOR PRODUCTION OF KEY MATERIALS FROM INDIGENOUS RESOURCES

Progress towards the establishment of new plants for the production of certain key materials from indigenous resources has not been very impressive so far. A licence has been issued to one firm for a 35 ton plant for the manufacture of sulphuric acid from gypsum, but there are various technical difficulties still to be overcome. As regards manufacturing from indigenous resources pulp suitable for rayon and newsprint, two schemes—one involving the use of bagasse and the other soft wood from the Himalayas—are under examination but concrete steps for their implementation have yet to be taken.

As regards the production of non-ferrous metals within the country, no advance has been made in regard to either tin or copper. On the other hand, some progress has been made with a scheme for obtaining zinc from indigenous ores and negotiations are in progress for setting up a smelter.

Mention may appropriately be made here of certain new industrial undertakings which are being established in this country with foreign assistance and which will lend strength to the industrial structure. In the first place, there are the petroleum refineries. Work has already commenced on the two which are to be set up at Trombay Island by Burmah-Shell and the Standard Vacuum Oil Co. of New York, and agreement has been finalised with Caltex Company regarding the third which is to be located at Visakhapatnam.

Then there is the projected factory for the production of Industrial Explosives. Within the last few months an agreement has been signed with I.C.I. for setting up such a factory near Gumia in Bihar in which both the Central Government and I.C.I. will hold shares.

PROGRESS OF INDUSTRIAL PROJECTS IN THE PUBLIC SECTOR

The progress made in regard to many projects in the public sector *e.g.*, the New Iron & Steel Project, the Sindri Fertiliser Factory, the Chittaranjan Locomotive Factory, the Rare Earths Factory and the Machine Tool Proto-type Factory at Ambernath has already been described in the preceding paragraphs. Of other important industrial undertakings in the public sector not already referred to, Indian Telephones Industries, has gone ahead well and by the middle of 1953 production was running at an annual rate of 40,000 telephones.

Construction of the Railway Coach Factory at Perambur (Madras State) is proceeding according to schedule.

Steps are being taken to start the construction of the 4th and 5th berths at the Ship-building Yard at Visakhapatnam (which has been taken over by the Government from the Scindia Steam Navigation Co., Ltd.) and a plan for further expansion is under consideration.

The penicillin and D.D.T. factories, Hindustan Cables Ltd. and the Bihar Government Superphosphate factory are all expected to go into production during 1954 and thus begin to make available to the country the benefit of the investment so far made on them.

PROGRESS IN THE IMPLEMENTATION OF SUPPLEMENTARY RECOMMENDATIONS

The enactment of the Industries (Development and Regulation) Act, 1951 was an important step taken by Government for regulating industrial development. The Act was amended in 1953 in the light of experience to bring more industries within the licensing powers of Government and to extend licensing provisions to cover the manufacture of any new products irrespective of the capital investment involved.

In accordance with the recommendation of the Planning Commission steps have been taken to constitute Development Councils for four industries, *viz.*, Bicycles, Sugar, Heavy Chemicals (acids and fertilisers), and Diesel Engines.

The Commission had also suggested the reform of Company Law to ensure that "industrial management will conform more and more to the standards of a profession or service, playing its legitimate part in the fostering of industrial development". A comprehensive Bill has been introduced for amending the Company Law.

MINERAL RESOURCES

In recent years though progress has been made in the survey of mineralised areas and the principal mineral regions have been ascertained, exploration of mineral resources has in most cases not been thorough or complete. A proper assessment, qualitative, of the mineral resources is essential for the planned development of industries. The announcement in 1947 of a National Mineral Policy, the expansion of the Geological Survey of India and the setting up of a Bureau of Mines have laid the foundations for mineral development. The Five Year Plan has made provision for—

(*i*) Systematic and detailed investigations and surveys by the Geological Survey of India, the Indian Bureau of Mines and the National Laboratories for the assessment of the quality and quantity of the more important minerals;

(*ii*) facilities in the shape of technical personnel and equipment for the implementation of the surveys: and

(*iii*) legislation for conservation of metallurgical coal and allied matters.

In the implementation of the above programme, practical difficulties in the recruitment of technical personnel and purchase of equipment have tended to slow down progress

—the departments having had to undertake their task with too few technical men and inadequate equipment—but in spite of this, a fair measure of progress has been achieved in the field of geological mapping, detailed mineral investigations, exploratory mining, inspection of mines and mineral beneficiation. Apart from extending modern geological mapping to blank areas, the investigations undertaken during the past two and a half years have shown that—

(*a*) the reserves of manganese ore in the Madhya Pradesh manganese ore belt are larger than estimated hitherto;

(*b*) low-grade manganese ore could, by simple methods of ore dressing, be improved in quality and made saleable. The economics of the process are now being tested;

(*c*) waste mica could be usefully utilised for several purposes; and

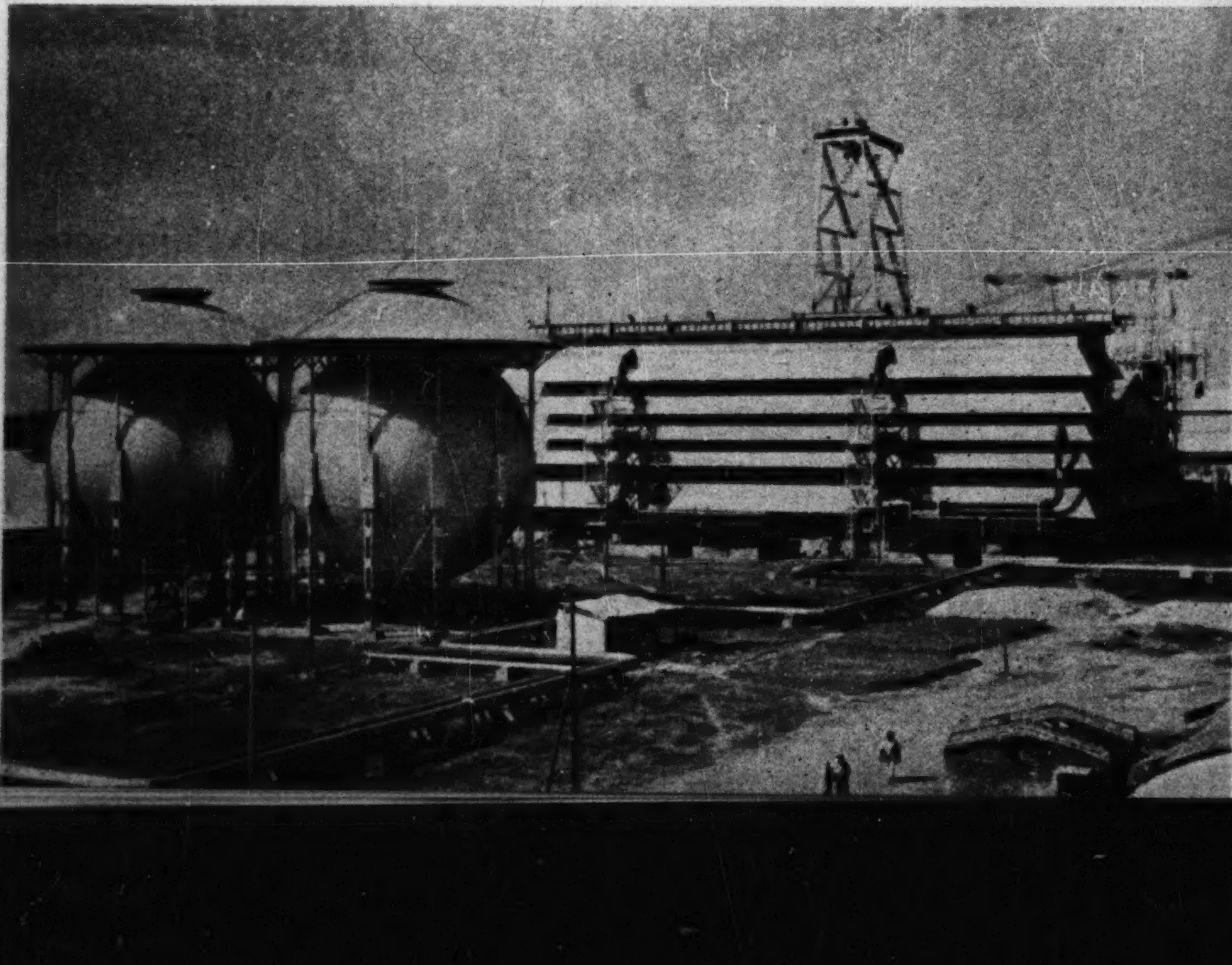
(*d*) pyrites produced from the rejects produced by washing coal could be concentrated with a good percentage of recovery. The economics of the process are being tested.

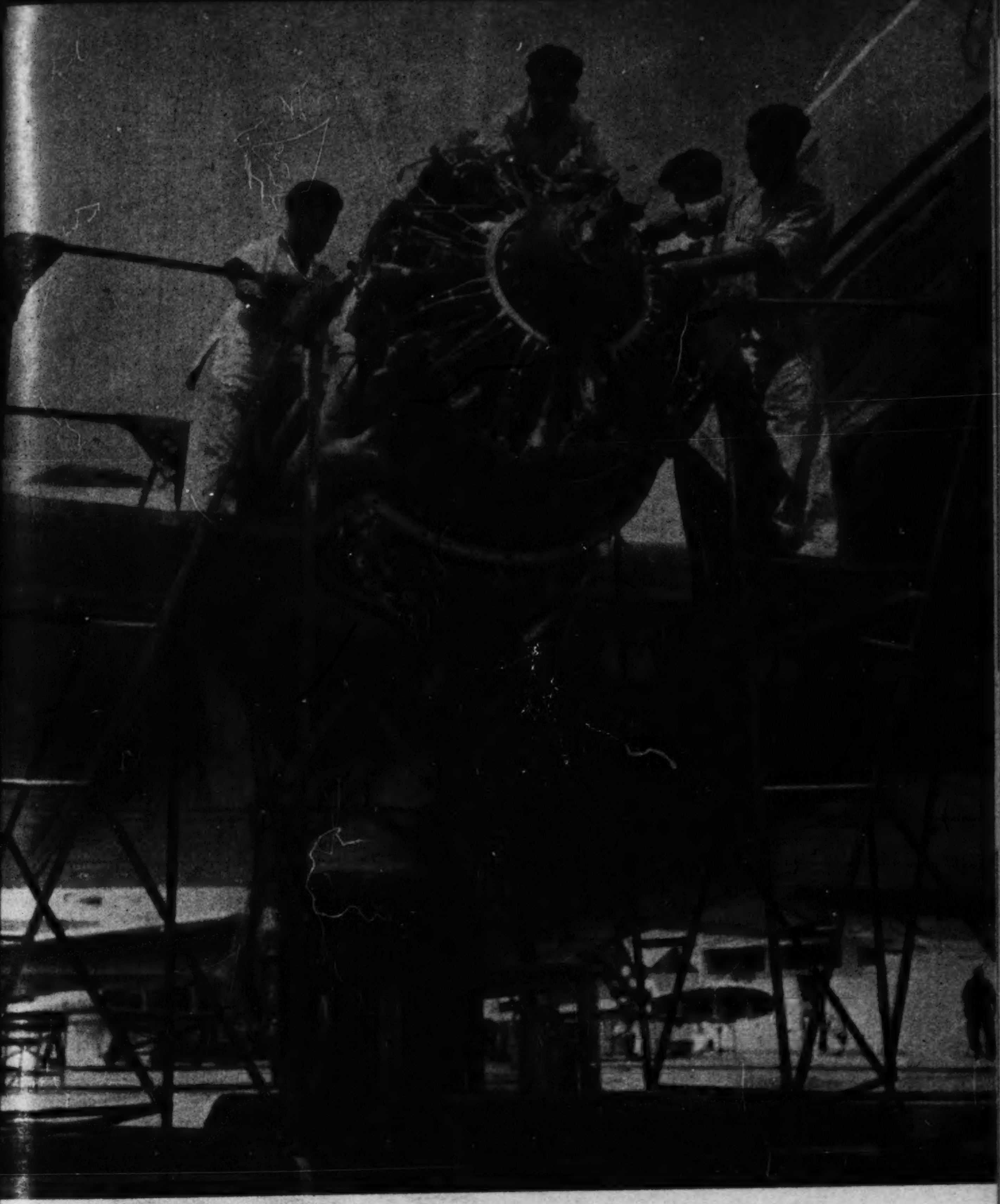
Inspection of mines has led, particularly in the case of manganese, to the adoption of measures for the avoidance of wastage in mining and for the recovery of saleable minerals from mine dumps.

There has been one important piece of legislation during this period, namely the Coal Mines (Conservation and Safety) Act, 1952 which empowers the Central Government to take measures for the conservation of coal and to set up a Coal Board which will ensure a co-ordinated policy in matters relating to coal, a long needed measure. A Coal Board has been set up, annual ceiling limits have been prescribed for the production of selected grades of metallurgical coal and rates of excise duty on coal and coke have also been prescribed.

A row of Hindustan-14 cars manufactured at the Hindustan Motors, Ltd., Calcutta.

A view of the ammonia synthesis plant of the Sindri Fertilizer Factory.





Engine being installed in a dacota aircraft at the Hindustan Aircraft Factory, Bangalore.

Preliminary investigations having indicated the existence of larger reserves of lignite in the South Arcot District (Madras), the State Government have, with the assistance of T.C.A. and the Central Government, started experimental quarrying with a view to collecting bulk samples of lignite, studying the ground water conditions and investigating the economic workability of the lignite deposits.

A plan has been drawn up for the efficient and economic working of railway collieries and is under implementation. The plan envisages opening up of new areas and new seams, modernisation of equipment and provision of certain amenities to mine workers. The work completed so far in one of the collieries has made possible additional despatches of 2,000 tons of coal per month.

The Government of India have signed an agreement with the Standard Vacuum Oil Co. Ltd., for a joint exploration for petroleum in the West Bengal Basin and this marks an important step in the development of mineral resources.

Detailed large-scale mapping of some of the coalfields and some of the more important mineral-bearing areas are items that should be given high priority. With the arrival of equipment asked for under the Indo-U.S. Technical Co-operation scheme, it may be expected that these items will be taken up and a good measure of progress achieved during the remaining period of the Plan.

TABLE I—*Fuller utilisation of existing capacity for achieving higher production.*

Industry	Unit	Annual installed capacity reckoned on the basis of capacity in			Annual Production				
		March 1951	September 1953	Target for 1955-56	1950-51	1951-52	1952-53	April—September 1953	Target for 1955-56
1. *Cotton Textiles*									
(*i*) Yarn, Mill	. Million lb.	1,669	1,725(*a*)	4,722	1,179	1,340	1,450	763	1,640
(*ii*) Cloth, Mill	MillionYds	4,744	4,752(*a*)	4,779	3,718	4,208	4,642	2,516	4,700
(*iii*) Cloth, hand-loom.	MillionYds	3,000	3,000	3,000	810	924	N.A.	N.A.	1,700
2. Paper and Paper board	'000 tons	137	151	211	114	133	137	71	200
3. Sugar (*b*)	. '000 tons	1,540	1,550	1,550	1,116	1,483	1,316	..	1,500
4. Soap(*c*)	. '000 tons	265	266	280	106	116	117	58	200
5. Salt	. '000 tons	55,613 acres	N.A.	65,200 acres	1,920	2,773	2,713	2,534	3,076
6. Vanaspati	'000 tons	333	340	388	153	177	198	85	300
7. Matches	. '000 gross boxes.	35,300	35,300	38,300	26,850	29,250	31,750	14,935	35,300
8. Footwear, leather (*d*)	'000 pairs	N.A.	N.A.	N.A.	5,195	5,712	5,102	2,843	7,500 8,000
9. Electric Lamps (G.L.S.)	Million Nos.	23·0	26·0	32·5	15·0	16·8	20·7	9·0	30·0
10. Bicycles	. '000 Nos.	120	420(*e*)	530	101	135	191	140	530

11. Electric Fans	'000 Nos.	288	304	360	194	208	188	115	320 350
12. Radio Receivers.	'000 Nos.	77	153	380	49	71	68	28	350
13. Hurricane Lanterns	'000 Nos.	4,300	4,400	4,500	3,240	35,863	3,579	2,285	6,000
14. Sewing Machines.	Nos.	37,500	41,496	91,500	32,965	45,855	52,472	30,205	91,500
15. Paint and Varnish Ready Mixed Paints.	'000 tons	65	65	70	29	33	31	15	60
16. Jute Manufactures.	'000 tons	1,200	1,200	1,200	892	894	930	440	1,200
17. Tea Chest Plywood.	'000 sq. ft.	138,840	162,000	180,000 190,000	44,940	65,043	65,151	23,221	100,000
18. Power Alcohol.	Million gallons	13·0	13·0	21·1	5·0	6·0	8·0	4·0	18·0

N.A.—Not available.

(*a*) As on 1st January 1952. The capacity has been calculated on the basis of 4.oz. of yarn per spindle and 40 yards of cloth per loom per shift and assuming 2 shifts and 305 working days per annum.

(*b*) Production statistics correspond to the sugar season. Capacity based on 120 working days per annum.

(*c*) Production statistics also include the output of the unorganised sector estimated at 30,000 tons per annum.

(*d*) Production statistics relate to organised factories covered by the Monthly Statistics of Production of Selected Industries of India.

(*e*) Refers to the assembling capacity of the 6 firms now in production.

TABLE II—*Progress in some of the producer and capital goods industries whose expansion was considered necessary under the Five Year Plan.*

Industry	Unit	Annual installed capacity reckoned on the basis of capacity			Production				
		March 1951	September 1953	1955-56	1950-51	1951-52	1952-53	April—September 1953	Target for 1955-56
1. Finished Steel (Main Producers).	'000 tons	1,015	N.A.	1,650*	976	1,083	1,084	314	1,650*
2. Aluminium.	'000tons	4,000	4,000	20,000	3,677	3,778	3,572	1,633	12,000
3. Cement	'000 tons	3,280	4,188	5,306	2,692	3,281	3,510	1,889	4,800
Fertilizers.									
4. (*i*) Aluminium Sulphate.	'000 tons	79	427	481	46	95	252	151	450
(*ii*) Superphosphate.	'000 tons	123	193	209	55	57	50	21	180
5. *Heavy Chemicals*									
(*i*) Sulphuric acid	'000 tons	150	180	221	99	129	96	40	200
(*ii*) Caustic Soda.	'000 tons	19	37	37	11	15	17	10	33
(*iii*) Soda Ash	'000 tons	54	54	86	45	47	47	28	78
6. Sheet Glass	'000 tons	12	38	52	6	9	11	3	26
7. Rayon Filament.	'000 tons	4,000.	10,214	22,000	400	5,638	8,884	4,859	22,000

8. *Textile machinery.*									
(*i*) Hind Spinning Frames.	Nos.	396	396	800	260	279	255	113	700
(*ii*) Looms	Nos.	3,600	4,200	8,000	1,894	2,046	1,572	1,176	6,000
(*iii*) Carding Engine	Nos.	...	600	600	...	27	81	111	600
9. Locomotives	Nos.	N.A.	N.A.	15	N.A.	27	85	N.A.	150
10. Ball and Roller Bearings.	'000 Nos.	600	600	1,200	87	237	496	316	1,200

NA.—Not available.

* By 1957-58

CHAPTER VI

COTTAGE AND SMALL-SCALE INDUSTRIES

THE PLANNING COMMISSION gave considerable importance to the development of cottage and small-scale industries, but in contrast to the progress achieved by large-scale industries, small-scale and cottage industries have passed through a difficult period and have not yet made the advance that was hoped.

The Plan envisaged that the Central Government would spend Rs. 15 crores and State Governments Rs. 11·8 crores on programmes for their development. These amounts are over and above the fund created from the cess on mill cloth and proposed to be utilised for the development of the handloom and khadi industry.

Up to the end of March, 1953, State Governments had only expended about Rs. 2·61 crores on these programmes out of the planned expenditure of Rs. 11·8 crores. Further sums totalling about Rs. 2·18 crores have been provided in the various State budgets for the current year, but it is not possible to say at present how much will actually be spent. Progress, though quite good in a few States, is, on the whole, slow and considerable effort will have to be made in the next two years if the programmes envisaged are to be completed.

As regards the Central provision of Rs. 15 crores, hardly Rs. 50 lakhs have yet been expended. The main reason for this is the inevitable delay that took place in organising the work of the three Boards *viz.* the All-India

Abor women of the Assam hills doing household spinning.

A specimen of exquisite Kashmir handicraft

Khadi and Village Industries Board, the All-India Handloom Board, and the All-India Handicrafts Board, which were created to supplement the normal machinery of the Central and State Governments for carrying out the development programmes. These Boards have, however, now been functioning for about a year and they should be in a position to use to good purpose the larger funds that may be allotted to them in the remaining period of the Plan.

A few remarks regarding the work of each of these Boards may be of interest.

ALL-INDIA KHADI AND VILLAGE INDUSTRIES BOARD

This Board which was constituted on the 14th of January, 1953 is responsible for preparing and carrying out programmes for the development of khadi and village industries other than handicrafts and the handloom industry. Counterparts of the Board have also been set up in seven of the States including Bombay, Madras and West Bengal. So far, apart from khadi, the Board has concentrated its attention on programmes for the development of the village oil crushing industry, paddy husking, soap making with neem oil, and hand-made paper. For the first two of these it has framed proposals for common production programmes which are under consideration. Various difficulties were experienced by the Board in obtaining financial and other sanctions and in order to overcome these a proposal to confer statutory authority on those responsible for carrying out the work is under consideration.

ALL-INDIA HANDLOOM BOARD

This Board was constituted on the 25th of October, 1952. Besides advising the Central Government generally on the development of the handloom industry, it assists in the distribution of yarn through weavers' co-operatives, encourages the setting up of spinning plants and the introduction of improved types of looms and other equipment, and assists in the training of weavers, improvement of marketing and research for new designs. On the recommendations of this Board, the Central Government has sanctioned so far nearly Rs. 1·24 crores as loans and Rs. 1·32 crores as grants to State Governments for executing various development schemes for this industry (as already explained elsewhere under the heading, "cotton textiles"). These funds have been furnished by the cess on mill-made cloth.

ALL-INDIA HANDICRAFTS BOARD

This Board was constituted on the 5th November 1952. Its main function is to improve the production and the marketing of handicrafts. It has made a number of recommendations for the grant of financial assistance to State Governments and non-official organisations for development schemes and further recommendations are expected. An exhibition of handicrafts was organised by the Board in New Delhi.

Outside the field of these specialised agencies, which are concerned mainly with traditional village industries and crafts, there lies a whole range of other small-scale industries—some of them old and some of them new—which, with the change from a sellers' to a buyers' market, have for the most part found difficulty in expanding or even in holding their own. Their main problems fall under the following heads:—

(*i*) Lack of adequate financial resources for replacements, purchase of new equipment and working capital,

(*ii*) Lack of marketing facilities and decline in purchases by Governmental agencies, and

(*iii*) Lack of technical assistance and advice for maintaining the quality of products and improving techniques.

The acuteness of their problems has been brought to the notice of the Government by several organisations of small-scale manufacturers such as the Howrah Manufacturers Association, representing small-scale engineering industries, and the associations of Hosiery Manufacturers of West Bengal and Punjab. Various efforts are being made to find solutions:—

(*i*) A Committee was appointed in 1953 to survey the idle capacity of engineering industries so that existing facilities may be utilised for producing goods hitherto not manufactured in the country. This Committee has recently submitted some preliminary recommendations and more are expected to follow. It is hoped that large as well as small engineering establishments will be assisted by the steps that may be taken on the suggestions of this Committee.

(*ii*) Several State Governments are setting up State Finance Corporations which will be primarily concerned with extending financial assistance to small-scale and medium-scale industries. The working of the various State Aid to Industries Acts is also being examined so that any unnecessary obstructions to the grant of loans and advances may be removed and more funds may be made available if these are found to be required. It has recently been decided to provide an extra Rs. 5 crores for assistance to the States in setting up State Finance Corporations and for helping small-scale and Cottage industries in other ways.

(*iii*) The Reserve Bank of India have recently constituted a Committee under the Chairmanship of Shri A. D. Shroff to examine how increased finance could be made available to the private sector through sources other than those which are under consideration of the Taxation Enquiry Commission. This Committee will in particular explore the possibilities of providing on a larger scale bank finance for developments in the private sector. Any assistance that might be forthcoming from the recommendations of the Shroff Committee would to some extent be shared by the small-scale industries also.

(*iv*) The Stores purchase policies and procedures of Central and State Governments are being scrutinised with a view to giving more scope to small-scale and cottage industries.

(*v*) A team of experts enlisted by the Ford Foundation is engaged in making a rapid survey of the problem of small-scale industries in four selected areas of the country with a view to formulating definite proposals for their improvement and expansion and for setting up a permanent institute of technology for village and small-scale industries. Their recommendations are expected within a few weeks.

CHAPTER VII

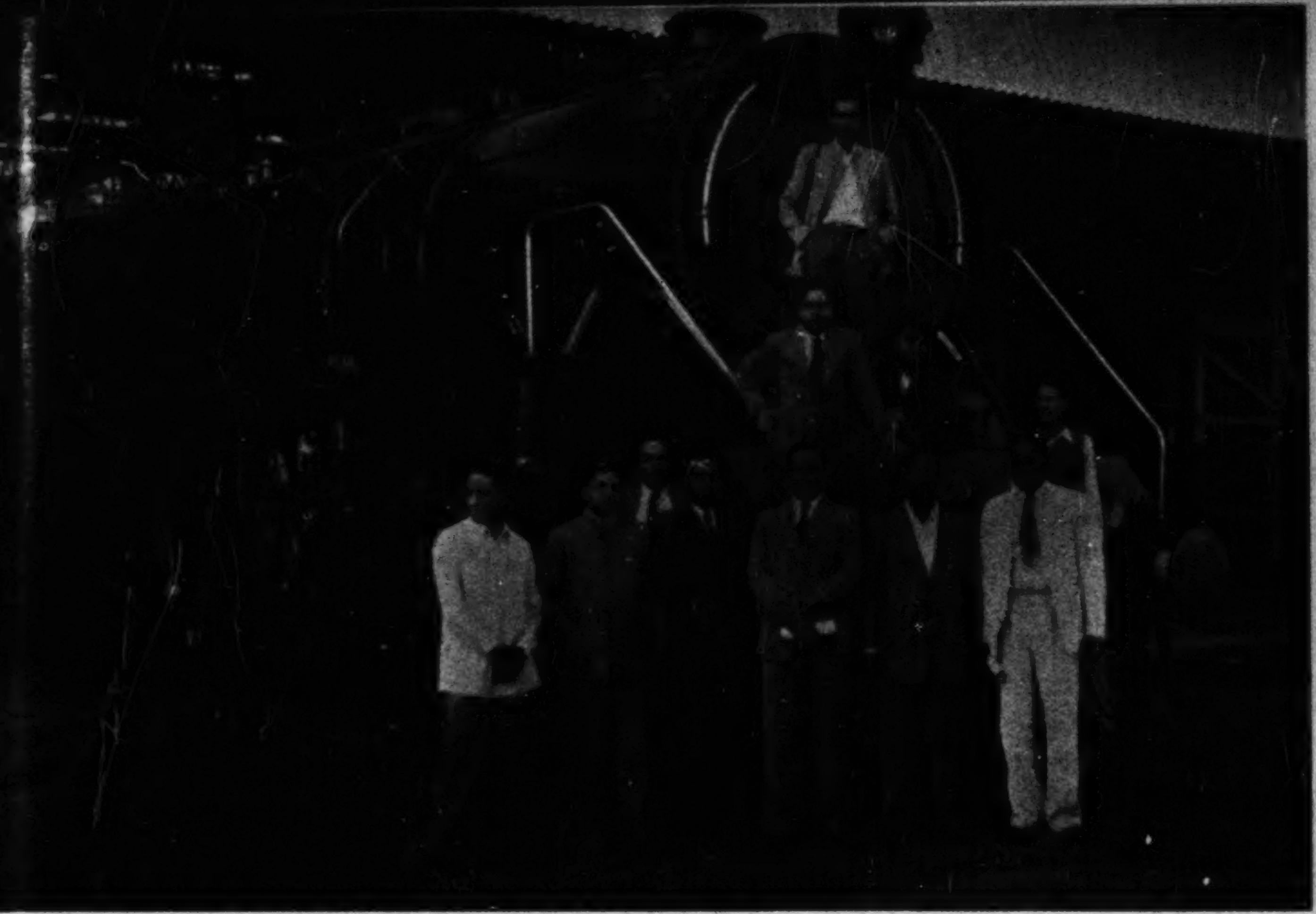
TRANSPORT AND COMMUNICATIONS

THERE IS perhaps no sector in the economy in which shortages become more immediately apparent than transport services. Indeed, an efficient and well-developed system of transport and communications is integral to all balanced economic development. During the first two and a half years of the Plan, as the development schemes in various sectors have been brought under implementation, there has been a growing realisation of the role of transport in planned development. Increases in production recently exerted pressure, especially on the railways. Moreover, transport represents a field of activity in which the greater part of the responsibility for ensuring adequate service rests with public authorities. These facts were recognized in the preparation of the Plan, but during the past year various circumstances have combined to stress their importance to an even greater extent than before. The various means of transport, and in particular the Railways, had suffered heavily during the war and priority had to be given, therefore, to the needs of their rehabilitation and replacement. But arrears of long standing take years to make up when only limited supplies are available whether in the country or abroad.

Despite the progress achieved in carrying out the rehabilitation and development programmes of the railways transport difficulties became specially noticeable during 1953. This has widespread effects which may be illustrated for instance, from a basic industry like coal which is dependent to no small extent on the transport facilities which can be made available. Thus, on account of difficulties in the transport of brick-burning and other inferior varieties of coal, the industry has been faced with the problem of reducing their production, despite the existence of an unsatisfied demand for them. Adequate supplies of brick-burning coal and other constructional materials are essential for the successful implementation of public and private construction programmes, which are also important in relation to the maintenance of employment. Soft cole is another commodity of which the supplies have been deficient due to inadequate provision of wagons and this has affected the implementation of a policy to encourage the use of soft coke as a substitute for wood fuel and make a gradual reservation of cow-dung for manurial purposes. Since the transport difficulties could severely hamper the implementation of development programmes under the Plan, it was felt that it would be desirable to re-assess the country's transport requirements and consider ways of meeting them. Accordingly, State Governments have been consulted by the Planning Commission and various aspects of the problem are now being studied by an inter-departmental group.

RAILWAYS

The programme of rehabilitation of railway assets has been proceeding according to schedule during the first two and a half years of the Plan. The Plan provided for the addition of 1,038 locomotives during the five years 1951—56 of which 438 were to be produced within the country and 600 were to be imported. Orders have already been placed for 769 locomotives against the first three programme years—407 from within the country and 362 from abroad. Up to the end of September 1953 as many as 447 locomotives had been received, 100 from within the country and 319 from abroad. During the first half of the plan period 87 locomotives were manufactured at Chittaranjan and 48 by Telco.



A locomotive built at the Chittaranjan locomotive works.

As regards coaches, 1,751 were built in the country and 307 imported during the first two and a half years of the Plan as against the target for the five years period of 4,380 and 673 respectively. To accelerate the supply of coaching vehicles and to achieve self-sufficiency in respect of requirements of coaching stock, a modern coach building factory is under construction at Perambur near Madras. This is expected to come into production in about two years and should make the Indian Railways independent of imports as far as passenger coaches are concerned.

In the case of wagons, against a target of 30,000 to be produced within the country during 1951—56, as many as 13,754 were produced during the period April 1951 to September 1953. During the same period 7,530 wagons were imported so that the number of new wagons received by the Railways was 21,284. The Railway Board have already placed orders for 10,501 wagons against the programme year 1953-54—6,810 from indigenous manufacturers and 3,691 from abroad. Further orders for about 10,000 wagons have been placed on the indigenous manufacturers against the programme year 1955—56. In addition, as a result of tenders received recently orders for 9,000 wagons are likely to be placed abroad for delivery during the Plan period. Thus, in all about 61,000 wagons are estimated to be procured during the Plan period at a total cost of about Rs. 70 crores. Recently, plans have been finalised to increase wagon manufacture in the country progressively until a level of about 12,000 wagons per annum is reached in 1956.

Other important events during the first two and a half years of the Plan have been the opening of the Desa-Gandhidham section of 170 miles and the Bijnor—Chandpur—Sian section of 22 miles. The Vasad—Kathna line has now been completed and work is in progress on the Ganga Bridge near Mokameh and on the Quilon—Ernakulam line. In addition to the restoration of certain lines dismantled during the war, a few new lines of a developmental character have been taken in hand. Special mention may be made of the railway programme required for the expansion of iron and steel production and the establishment of petroleum refineries. This includes the doubling of Anara—Goychandi Pahar Burnpur section, and of Sini—Gomaharria section and provision of additional yard facilities at Tatanagar Station. Work is also in progress on the provision of rail facilities for the oil refineries at Kurla—Trombay and of additional facilities for the Sindri Fertiliser Factory.

The demand for improved amenities for passengers, for which provision has been made in the Plan, is being progressively met. The opening of waiting halls, improvement of booking facilities, expansion in the number of railway stations and advance booking and reservation facilities for third class passengers, and the provision of sheds and water taps on platforms are some of the steps which have been taken in this direction. In order to relieve the over-crowding, more than 109 new trains were introduced and 108 train runs were extended, for instance, during the year 1952-53.

To meet the demands from the staff for more and better housing, sanitation and other welfare works, the Plan provided Rs. 24 crores, out of which Rs. 9 crores were spent in the first two years and about 5 crores are expected to be spent in the current year.

ROADS

Considerable progress has been made in carrying out the road development programme under the Five Year Plan and recently a substantial expansion has been agreed to.

Road transport

The total length of extra-municipal roads in India at the end of 1949 was approximately 2,35,000 miles and the

Plan provides for an addition during the five years' period of 640 miles of National highways, 5,650 miles of State Roads and 16,000 to 17,000 miles of low-grade roads under rural schemes. With these developments in roads under way, it is necessary that a substantial expansion should take place in the motor transport services. The Plan provides for an investment of Rs. 8·97 crores by the State Governments in the public sector of transport. This investment is directed *inter alia* to the purchase of about 2,000 transport vehicles and the establishment by the larger State Transport Organisations in Bombay, Uttar Pradesh and elsewhere of up-to-date workshops for maintenance, repair and overhaul of the transport fleet owned by them. As regards the agency for running the State Transport Services, the Plan recommends the formation of statutory corporations under the Road Corporation Act, 1950. Statutory corporations for operating road transport services exist in Bombay, Delhi and Bilaspur and the Act has now been extended to the States of Bihar, West Bengal, Mysore, Hyderabad and Kutch.

The pace of growth of number of vehicles in India is found to have slowed down in recent years. In the year 1950-51, the total number of vehicles in the country was estimated at slighly above 300,000 of which public carriers numbered about 85,000. According to the Tariff Commission's report on the automobile industry published in 1953, the average annual demand for all types of vehicles during the last four years has been less than 20,000 vehicles. This covers demand both for replacement and addition. The comparative smallness of demand was felt to be the chief obstacle in the way of the speedy development of the industry. Expansion in road services would thus not only make available addition facilities for transport but also help the indigenous industry. There is considerable scope for expansion especially in the case of commercial vehicles. The present high level of taxation on motor vehicle users and restrictive licensing policies in some States are factors which appear to have hampered the growth of road services. The Planning Commission suggested to the State Governments recently the possibility of making suitable modifications in their licensing policies with a view to helping the expansion of private services and alleviating unemployment. The various factors affecting the development of road services in the country are now being examined by an inter-departmental study group at the Centre.

National highways

The Plan provides for the construction of 925 miles of new roads, of which 640 miles are scheduled to be completed during the period of the Plan. At the end of the first two years, about 240 miles of new construction had been completed and work was in progress on 450 miles of roads. A total length of 3,000 miles of existing roads are to be taken up for improvement during the period of the Plan. By the end of the first two years, 1,050 miles of road had been improved and work was in progress on improvements over a further length of 1,500 miles. In all a sum of Rs. 27 crores was allocated in the Central Government's plan for National highways for the five years' period and of this amount Rs. 7·11 crores had been spent during the first two years of the Plan and Rs. 5·50 crores were provided for expenditure in the third year.

Sixty-eight large bridges were to be taken in hand, of which 40 are to be completed during the Plan period. During the first two years 17 new bridges were completed and in the third year of the Plan, work was in progress on about 20 bridges.

A sum of Rs. 4·24 crores was provided in the Plan for the development of certain selected roads other than National highways for which the Centre has accepted financial liability. These include the Agartala—Assam road, the Passi—Badarpur road, the Pathankot—Jammu road, the West Coast Road in Madras and Bombay and roads in Sikkim. By the end of the year 1952, about 140 miles of new construction had been completed and work was in progress on 120 miles of road and on two major bridges. The total expenditure incurred during the first two years was Rs. 1·16 crores and expenditure during the third year was estimated at Rs. 1 crore.

State highways and other roads

With regard to State highways and district and village roads which are the primary responsibility of the State Governments, the progress achieved in physical terms cannot be accurately stated as statistics on a sufficiently uniform basis are not yet available. On a rough reckoning new construction and improvements (including village roads) accounted for about 3,300 miles in 1951-52 and about 3,900 miles in 1952-53. These figures, however, include certain roads on which work had been in progress before the beginning of the Plan period but has now been completed, and certain others on which work had not been finally completed but had progressed sufficiently for the roads to be opened to traffic. In financial terms the total expenditure during the first two years in the States (excluding Jammu and Kashmir) was about Rs. 28 crores against a total provision in the Plan of about Rs. 73 crores.

SHIPPING

At the beginning of the Plan, India had 73 ships with a gross registered tonnage of 217,202 on the coastal trade and 24 ships of a total gross registered tonnage of 173,505 engaged in overseas trade. More than half the coastal fleet was over 20 years of age. The Plan provided for the addition of 165,000 G.R.T. to the coastal tonnage (of which 60,000 G.R.T. would be for replacement of over-aged ships) and for 110,000 G.R.T. to the overseas tonnage—40,000 G.R.T. for the Eastern Shipping Corporation and 70,000 G.R.T. for the private companies. At the end of the Plan coastal tonnage was expected to be about 315,000 G.R.T. and the overseas tonnage 283,000 G.R.T., making a total of nearly 600,000 G.R.T. The Plan also provided loans to shipping companies and Government's contribution to the Eastern Shipping Corporation.

As regards coastal shipping, the net addition during the first two years of the Plan, after deduction of the existing tonnage sold or lost, was about 77,000 G.R.T. It is expected that the target laid down in the Plan in this regard will be achieved. As against a provision in the Plan of Rs. 4 crores for loans for coastal shipping during the first three years about Rs. 2½ crores are expected to be utilised.

The implementation of the coastal reservation policy is proceeding steadily. The share of Indian ships in the coastal trade increased from about 80 per cent. in 1950-51 to 94 per cent. in 1951-52 and to about 100 per cent. in 1952-53.

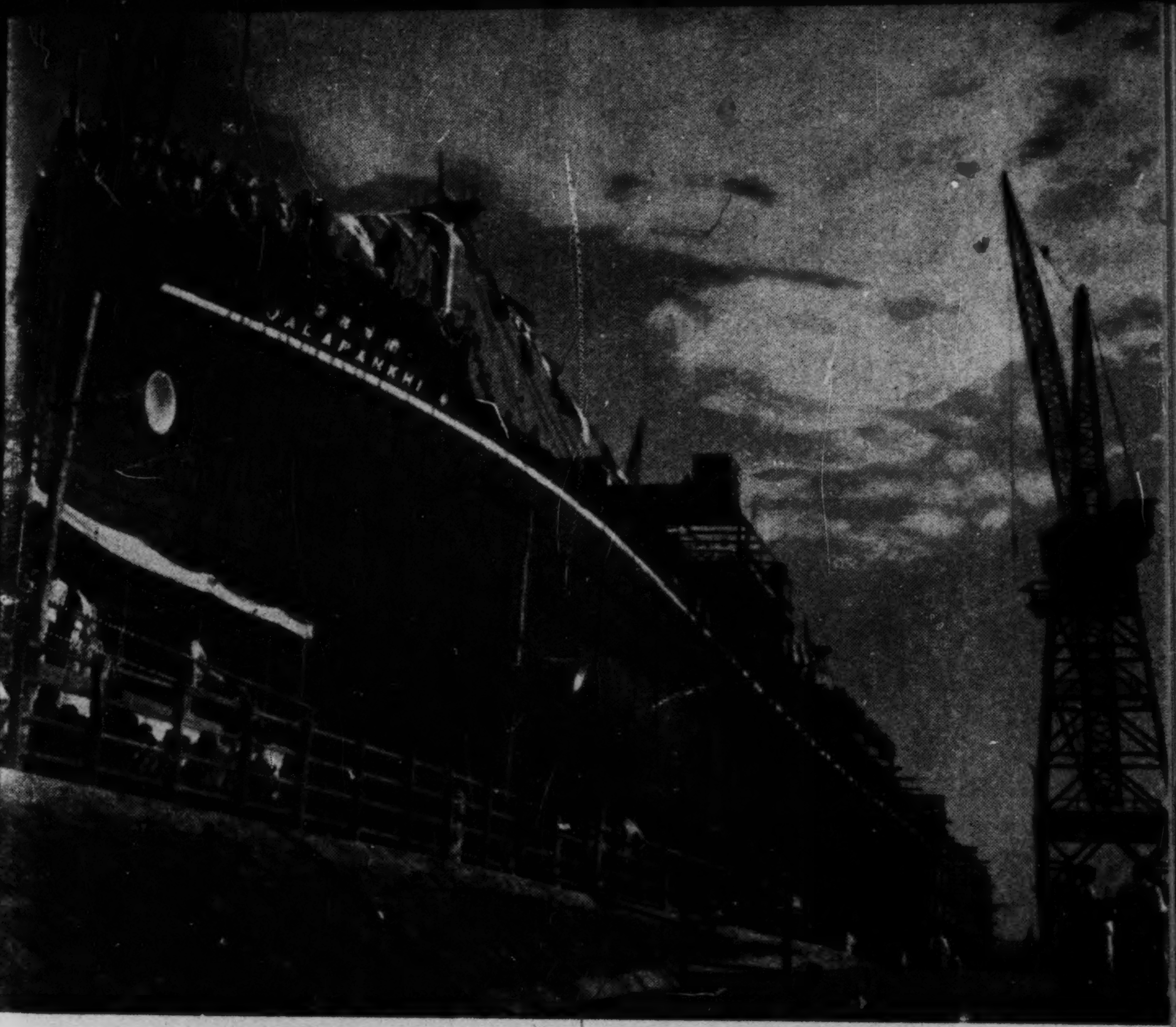
No additions have been made during the first half of the Plan period to the coastal tonnage.

The Eastern Shipping Corporation, contemplates the addition of 40,000 G.R.T. by 1955-56. The Corporation has recently added 4,509 G.R.T. and arranged to add a further 30,000 G.R.T. to its fleet.

A notable feature of the development programmes relating to shipping is the expansion envisaged in the shipbuilding industry in the country. The Hindustan Shipyard is expected to supply the additional tonnage on the coastal trade of the order of 100,000 G.R.T. The yard completed six ships in the first two years of the Plan, each of 8,000 d.w.t.

Ports and harbours

Provision has been made in the Plan for the development of major ports from their own resources, and from funds to be made available by the Central Government. A sum of Rs. 12 crores was provided originally for loans to major ports during the period of five years. This has


JALAPANKHI

S.S. Jalapankhi, *the fourth ship built at the Visakhapatnam shipyard.*

now been raised to Rs. 16·50 crores. In 1953-54 port authorities are expected to obtain loans amounting to about Rs. 2 crores from the Central Government. Some of the development programmes envisaged in the Plan have been taken in hand, financed mainly from the ports' own funds. Except in the case of Bombay, the expenditure incurred so far has been much behind the planned schedule. The reason for this is that a substantial part of the expenditure relates to additional equipment for which orders have been placed.

The Bombay Port authorities during the first two years of the Plan, spent Rs. 126·62 lakhs on the construction and improvement of transit sheds and warehouses. The other schemes undertaken during the period were the modernisation of the Princess and Victoria Docks and the electrification of the Alexandra Docks. Expenditure on the programmes of the Bombay Port Trust during the first two years was a little short of Rs. 1 crore.

The Calcutta Port authorities spent during the first two years about Rs. 78 lakhs on their programmes which included the purchase of wagons, locomotives, tugs and river survey vessels and housing and social services.

Two major projects undertaken by the Madras Port authorities were the extension of the sand screen and the wet dock scheme. At the Cochin Port, the construction of transit sheds and warehouses and coal berths were the principal items undertaken.

Work is in progress on the development of Kandla as a major port for which a provision of over Rs. 12 crores is made in the Plan. Some progress also has been made on the development of five minor ports in Cutch.

Light houses

During the years 1951—53, work on the improvement and development of 14 lighthouses was taken in hand.

The construction of a tower on a R.C. concrete base and the installation of a light thereon was completed during the period. The Plan provided for the projects of a lighthouse tender. Orders have been placed during the period under review for a general lighthouse tender and for the acquisition of three ocean-going motor boats. The actual progress on work on lighthouses has been some-what slow. This was due in some measure to the difficulty in obtaining the requisite equipment.

CIVIL AVIATION

The Plans for the development of civil aviation had two aspects—the provision of increased aerodrome and auxiliary facilities and the re-organisation and development of the air services themselves. As regards the former, the Plan provided for the construction of new aerodromes and for improving existing ones and also for completing works which were already in hand. Almost all the works in hand at the commencement of the Plan were completed during the first two years. These include a number of landing strips and a new aerodrome. The new works begun during the period include the construction of administrative and technical buildings at a number of aerodromes, the improvement of runaways and taxi tracks and the construction of a new runaway at Dum Dum. The financial provision for works at aerodromes for the five year period is about Rs. 10 crores. The actual expenditure during the years 1951-52 and 1952-53 was Rs. 1·41 crores and Rs. 92 lakhs respectively. The estimated expenditure for 1953-54 is Rs. 1·68 crores. Progress is well up to schedule, though delays have occurred in the acquisition of land and in the procurement of technical equipment.

Under the Five Year Plan, work was expected to begin on the setting up of 64 aeronautical communication stations in different parts of India to meet the increased demand for radio aids and navigational facilities. The funds provided for this purpose have not been fully utilized, because of the delay in the receipt of the equipment. At certain stations alternative arrangements have been devised.

In regard to re-organisation and development of air services, the first necessary step has already been taken by the Central Government taking over all the air transport lines and setting up two corporations under the Airways Corporation Act; one for running internal services and the other for external services.

CHAPTER VIII

SOCIAL SERVICES

I. HEALTH

General

THE HEALTH plans of the Centre and the States account for Rs. 103 crores. The recent adjustments of the State Plans do not materially affect the health programmes except for an addition of about Rs. 36 lakhs in Delhi State, Rs. 21 lakhs in Travancore-Cochin and Rs. 20 lakhs in Bhopal. There is an increase of Rs. 2·43 crores for the rest of the Plan period in the Central Health Ministry's plan which is intended to support specified programmes over the whole country, as for example, control of filariasis and leprosy and the strengthening and expansion of maternal and child health work. There is also a provision of Rs. 73·5 lakhs for equipment to medical colleges so as to upgrade training facilities.

Water supply and sanitation

Water supply and sanitation have been accorded the highest priority in the Plan as a basic requirement for healthful living. The plans of the State Governments provide Rs. 24 crores for water supply and drainage—Rs. 11 crores for rural and Rs. 13 crores for urban areas. The progress of expenditure is of the order of Rs. 3·4 crores for rural and about Rs. 4·6 crores for urban schemes. The total expenditure is thus Rs. 8 crores. It will be seen that expenditure has, on the whole, been behind schedule. The Central Government has made available about Rs. 8·79 crores under Community Projects and National Extension

Service and Rs. 7·5 crores or more under Local Development Works over the Plan period in so far as rural water supplies are concerned. It is also possible to extend assistance to special water supply schemes involving conjoint piped supplies to groups of villages or for deep bore wells required in certain areas. The question of urban water supplies is being closely examined to ascertain the difficulties which have been responsible for the slow progress of the State schemes included in the Plan, particularly in respect of resources, equipment such as pipes, specials and pumps, and the organisation of Public Health Engineering Services.

Malaria

Malaria is the most important public health problem in India. A nationwide control of malaria has, therefore, been taken up. The provision in the Plan is Rs. 10 crores from the Centre assisted by the T.C.A. and Rs. 7·35 crores from the States. Under the Plan the Centre has been supplying D.D.T., sprayers, vehicles and anti-malarials. The Centre has further agreed to assist the States by paying them the equivalent of the customs duty they have to pay on imported equipment and vehicles. The Malaria Institute of India provides training facilities and co-ordination and overall supervision of the programmes. The States maintain the staff and meet the expenditure on maintenance of vehicles and equipment. 90 units, each unit serving a population of a million, have been assigned to various States in 1953-54. Upto November 1953, there has been a 50 per cent. increase over 1952-53 of the population protected and it is expected that nearly all the population programmed for will be protected. The programme will be expanded to 125 units in 1954-55.

Tuberculosis and B.C.G. vaccination

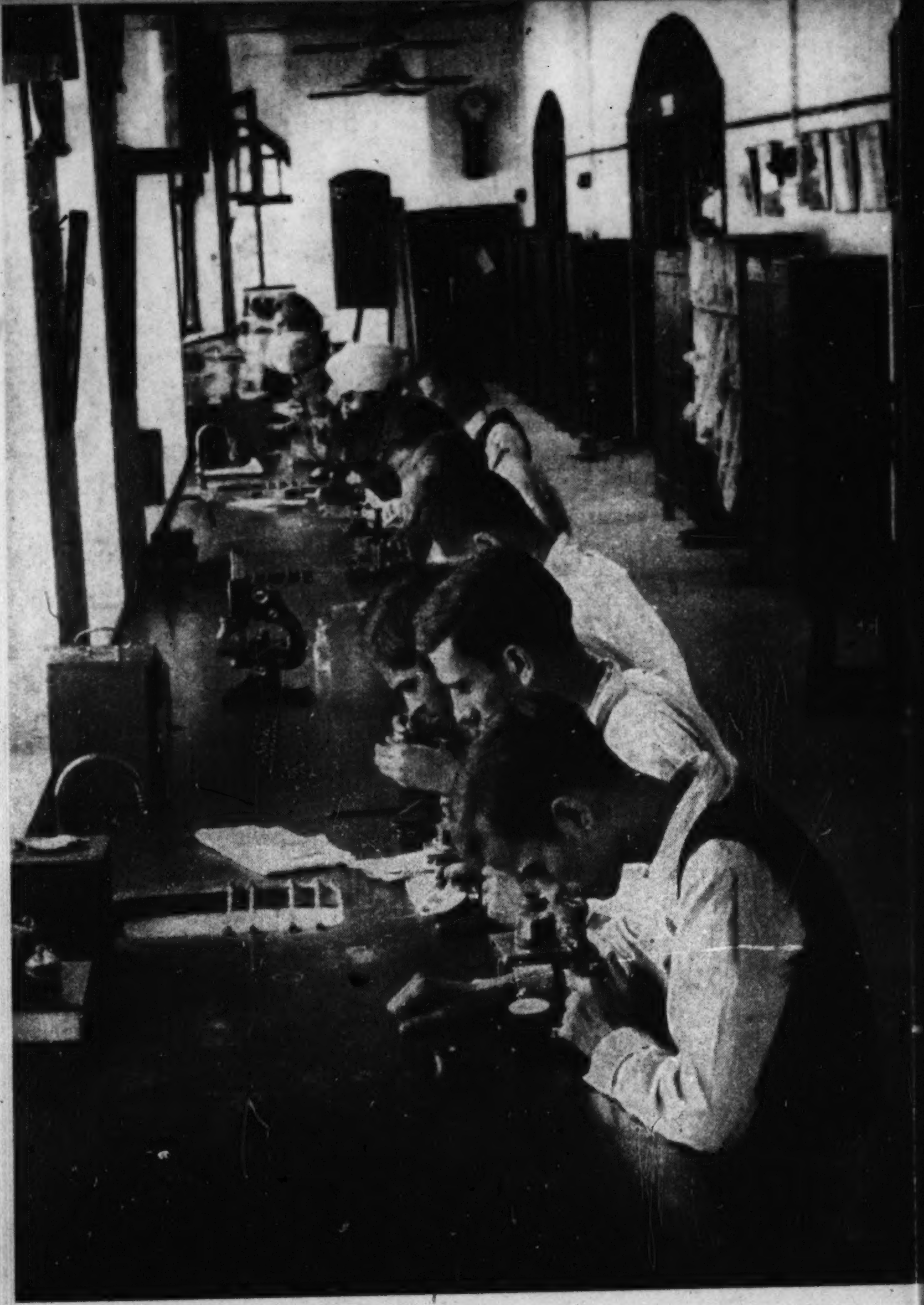
Tuberculosis control has received careful attention. T.B. Sanatoria, hospitals and clinics are being increasingly provided both by the States and the Centre. Two sanatoria, 44 hospitals, 131 clinics, and 144 wards with a bed strength of 13,298 have been established. The three demonstration-teaching clinics at Delhi, Patna and Trivandrum and the Vallabhbhai Patel Chest Institute for Research at Delhi may be specially mentioned. Four more demonstration centres in Madras, Hyderabad, Nagpur and Agra will be established in the next two years. There has been a steady expansion of B.C.G. programmes in all the States, assisted by the Centre and W.H.O./UNICEF by way of technical personnel, supplies and vehicles etc. The B.C.G. Laboratory at Guindy, Madras, supplies the required vaccine. 108 teams each consisting of a doctor and six technicians are at present working in the various States against a total of 130 teams aimed at during the Plan and 24 million people have been tested and 7½ million vaccinated.

Filariasis

The survey and control of Filariasis is envisaged in all the thirteen States in which it is known to be a problem, by the establishment of demonstration, control and survey units. On the lines of the Malaria Control Programme, the Centre will provide substantial assistance of more than a crore of rupees, the States bearing the cost of the maintenance of staff and sprayers and vehicles.

Maternal and child health services

Maternal and child health services are the foundation round which other health services should grow up. Varying progress has been achieved in different States; the total number of child welfare centres in India is about 1,600. The Central Government has established a maternal and child health training centre at the All India Institute of Hygiene and Public Health with the assistance of UNICEF. The Central Government is also providing Rs. 50 lakhs in the next two years for strengthening maternal and child health service programmes in the States.



Preparing for the anti-malaria campaign. Students at the Malaria Institute, Delhi.

One of the many centres where mass B.C.G. vaccination is going on.

A mobile dispensary in a Delhi village.

Family planning and population control

Family Planning and Population Control have been recognised as of supreme importance both for the promotion of family health and for the securing of a balance between resources and population. The Planning Commission have enunciated a comprehensive programme which includes provision of family planning advice and service as an integral part of health services in hospitals and maternal and child health centres, the training of personnel, public education and research in the physiology of reproduction and in population problems. The Ministry of Health have appointed a Family Planning Research and Programmes Committee which has submitted its recommendations. According to these, the State Governments as well as voluntary organisations will receive assistance for their work. Their recommendations have been accepted by the Government of India and details are being worked out.

New hospitals, etc.

During the period under review, 20 hospitals, 152 urban dispensaries, 209 rural dispensaries and 228 Ayurvedic dispensaries have been added. The addition to bed strength as a result has been of the order of 4,792.

Community Projects Administration:

Health programmes

The Community Projects Administration have estimated their requirements in respect of medical and ancillary personnel: 600 doctors, 600 compounders, 600 sanitary inspectors, 600 health visitors and 2,400 midwives. A provision of a little over Rs. 26 lakhs has been made for assistance for the training of health visitors and midwives, out of an overall provision of Rs. 5 crores for the total training programmes under the Community Projects and National Extension Services. The assistance is for addition and alterations to buildings, equipment, staff and stipends. The Health Ministry have also arranged for orientation courses and training programmes for health personnel and for training village level workers in three centres near Calcutta, Madras and Delhi.

Personnel

The lack of trained personnel has been a factor of great difficulty in the implementation of health schemes. To overcome this, the number of medical colleges has been increased from 30 to 33 and their training capacity from about 2,400 to about 3,000 both by increasing the number of admissions in certain institutions whose facilities have been expanded and by the starting of new institutions. Only about three medical schools are still functioning, the rest having been upgraded into colleges. The total number of medical men registered (both graduates and licentiates) is about 64,000.

Higher medical studies and research

The Central Government has a special responsibility for higher medical education and research. The All India Medical Institute for which there is a provision of Rs. 264·25 lakhs in the Plan is expected to materialise in the Plan period. All preliminary steps have been taken and development of land and construction of staff quarters is under way. The institution is meant for the training of teachers and for post-graduate training and research.

Drug production

Among measures taken for the production of drugs may be mentioned the penicillin plan which is being established at Pimpri near Poona. To produce adequate quantities of insecticides for the control of malaria a D.D.T. plant will also be set up in Delhi with the assistance of W.H.O./UNICEF.

Indigenous and other systems of medicine

Indigenous and other systems of medicine are also receiving support in the Plan. The Central Government has established an Ayurvedic Research Institute at

Jamnagar. It is also proposed by the Health Ministry to extend help in standardising and upgrading certain teaching institutions in Ayurveda, Homœopathy and Nature Cure.

2. EDUCATION

The two tasks facing the country on the eve of the Plan were expansion and improvement of existing facilities and re-orientation of the educational system so as to link it properly with programmes of national development. Good progress has been made as regards expansion programmes. In the matter of re-orientation, the period has been primarily one of preparation.

Progress of expenditure

A rough idea of the over-all progress may be had from the progress of expenditure given below:—

(Rs. in lakhs)

	1950-51 Actuals	1951-52 Actuals	1952-53 Revised	1953-54 Budget	Provision for 1951—56
States	1828·5	1892·7	2052·3	2386·1	11637·7
Central Government	124·6	198·8	359·1	516·4	3501·7
TOTAL .	1953·1	2091·5	2411·1	2902·5	15139·4

Compared to the development expenditure in 1950-51, the increase in the expenditure under the Plan was 3 per cent. in 1951-52, 24 per cent. in 1952-53 and about 48 per cent. in 1953-54. Out of the total provision of Rs. 151·4 crores for the five-year period, Rs. 74·1 crores are likely to be spent by the end of 1953-54, leaving Rs. 77·3 crores to be spent during 1954-55 and 1955-56. Thus an annual average expenditure of Rs. 38·7 crores, which is 134·7 per cent. of the expenditure in 1953-54, will have to be maintained during the remaining period of the Plan.

Pattern of expenditure

The pattern of expenditure at the Centre may be seen from the following figures of the progress of expenditure under different heads:—

(Rs. in lakhs)

Category	Total for 1951—56	1951-52 Actuals	1952-53 Revised	1953-54 Budget
Pre-University Education	20,00·0	Nil	63·5	2,00·0
Labour Service by students	1,00·0	Nil	Nil	
University Education (Humanities)	1,20·0	Nil	34·2	25·0
Technical and Vocational Education	12,81·7	1,98·0	2,61·3	2,91·4
TOTAL	35,01·7	1,98·8	3,59·0	5,16·4

The pattern of expenditure in the States Sector may similarly be seen from the figures given below:—

(Rs. in lakhs)

Category	Total for 1951—56	1950-51 Actuals	1951-52 Actuals	1953-54 Revised	1953-54 Budget
Administration	103·8	9·0	7·7	9·1	12·8
Primary Education	7,240·6	1,281·4	1,244·9	1,393·3	1,585·2
Basic Education	128·7	..	18·1	18·6	31·1
Secondary Education	835·3	89·1	73·6	100·7	151·2
University Education	1,024·5	120·6	167·8	196·5	224·1
Technical and Vocational Education	1,016·3	170·5	159·5	176·9	207·5
Social Education	608·0	74·3	17·0	84·2	84·0
Other Schemes	680·5	83·6	65·9	73·0	84·0

Main developments

Apart from the expansion and improvement of existing facilities at various levels, the following main developments have taken place during the period under review—

(1) *Scheme to absorb the educated unemployed*—In order to provide immediate employment for the educated unemployed a scheme of opening one teacher schools, or of absorbing additional teachers in existing schools, has been initiated. **30,000 teachers are expected to be absorbed in 1953-54 and 50,000 in 1954-55, at the end of which the**

situation will be reviewed. It is the intention to utilise the one teacher school as the "focal centre of all rural welfare activities" and ultimately to fit it into the general educational pattern of the country. The Planning Commission and the Union Ministry of Education have written detailed letters in this regard to State Governments. The other part of this scheme is the opening of a large number of social education centres in urban areas. The total number of social education centres, that are proposed to be opened during the Plan period beginning from 1953-54, and the number of persons for which they will provide employment, are 8,000. The total likely provision for this scheme as a whole during the Plan period is Rs. 11 crores.

(2) *Scheme of pilot projects in basic education*—The conversion of primary schools to basic schools has been considerably handicapped for want of properly trained personnel, the absence of well-developed techniques and methods and the lack of suitable guiding literature. To gain experience in this field and to solve these difficulties, the Union Government has initiated a scheme of one pilot project in each State in basic (primary, social and secondary) education the costs being shared between the Centre and the States. Considerable preliminary work in regard to this scheme has been done in many States.

(3) *The Report of the Secondary Education Commission*—The reorientation of secondary education has among other things, an important bearing on the unemployment problem. The secondary Education Commission, which submitted its report to Government in August, 1953, has made detailed recommendations in this regard. The Central Advisory Board of Education has set up a Committee to study these recommendations, assign priorities and draw up programmes for the implementation. The main recommendation of the Commission is to diversify courses to suit the varying aptitudes of pupils, which generally become manifest at the Secondary School stage, and, by

giving a vocational bias to their training, to enable them to fit themselves for a vocation at the end of the secondary stage, if they so desire.

(4) *The University Grants Commission*—A University Grants Commission has been recently set up to co-ordinate Central grants to Universities.

(5) *Technical education*—In the field of technical education, progress has been made in increasing facilities for post-graduate and research work. This has been achieved mainly by the development of the Indian Institute of Technology, Kharagpur and the Indian Institute of Science, Bangalore. To provide a continuing supply of research workers to National Laboratories and universities, research training scholarships have been provided. Some provision for the development of post-graduate and research work has also been made under the scheme: "Development of Scientific and Technical Education". An idea of the progress made under different schemes may be had from the following figures of the progress of expenditure:—

(Rs. in lakhs)

Name of Scheme	Executive Authority	Total for five years	1951-52 Actuals	1952-53 Revised	1953-54 Budget
1. Indian Institute of Technology, Kharagpur	Central Government.	464·7	83·1	103·7	103·4
2. Development Scheme of the Indian Institute of Science, Bangalore.	Do.	88·7	33·8	26·9	21·0
. Research training scholarship scheme.	Do.	45·0	2·1	5·1	8·0
4. *Development of Scientific and Technical Education & Research.	Do.	482·0	22·8	43·9	80·0
TOTAL		1080·4	141·8	179·6	212·4

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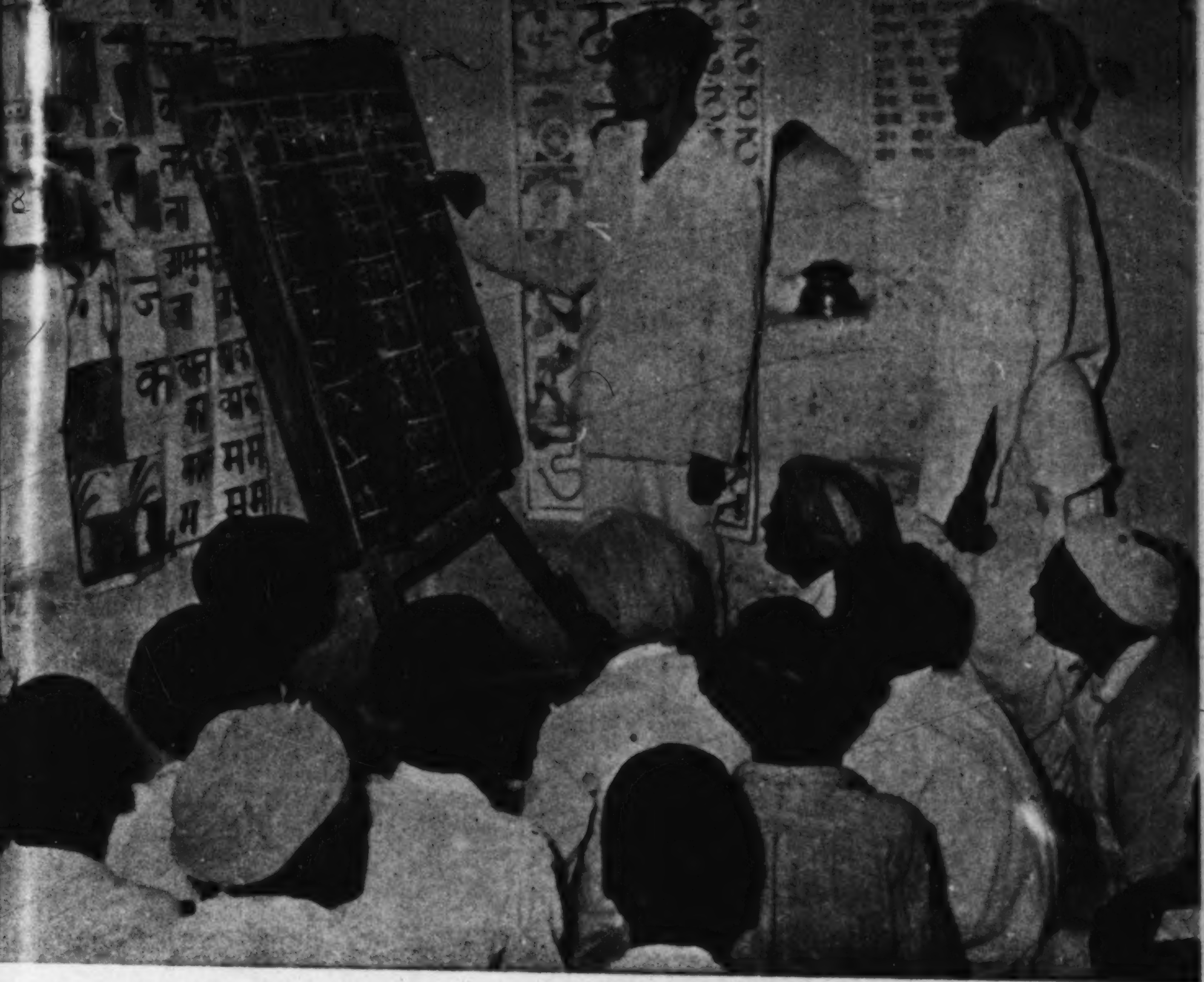
*Only a portion of the expenditure shown under this scheme is meant or post-graduate and research work in technical education.



A class in adult education in the Rajpur community project area in Madhya Bharat.

At the under-graduate level an important scheme is to provide Central assistance for the improvement of existing State institutions. The institutions assisted have been able to improve their buildings, equipment and staff position, which has not only enabled them to take in more students but also to considerably improve the quality of teaching. The progress of expenditure under this head was as follows:—

(Rs. in lakhs)

Five years' cost	1951-52 Actuals	1952-53 Revised	1953-54 Budget
154·9	60·1	47·5	47·2

The scheme is expected to be completed by the end of 1953-54.

Another important feature is the help given to students under the practical training stipend scheme to occupy positions in industry. The progress of the scheme may be gauged from the following figures of expenditure:—

Name of scheme	Five year's cost	1951-52 Actual	1952-53 Revised	1953-54 Budget
Practical Training Stipend Scheme	46·6	5·3	5·5	9·0

(6) *The development of culture*—To resuscitate and develop our cultural inheritance a scheme has been approved for setting up three academies, *viz.*, the Sangeet Natak Academy, The Academy of letters and The Academy of Art. Of these the first has already started functioning while preliminaries in regard to the last two are also complete.

(7) *Development of the national language*—Work regarding the preparation of dictionaries of different kinds, lists of technical terms, a model syllabus of a basic grammar of Hindi and the standardisation of Hindi examination is in progress.

3. LABOUR

During the first half of the Plan period the main achievements in the field of Labour have been improvement in industrial relation as indicated by the decline in number of mandays lost, the figures being 12,806, 704 for 1950, 3,818,928 for 1951, 3,336,961 for 1952, and 1,336,380 for the first half of 1953; the provision of retrenchment and lay-off benefit to workers under the Industrial Disputes (Amendment) Act, 1953; the establishment of the Joint Consultative Board; the regulation of working conditions in plantations and mines under the Plantation Labour Act, 1951 and the Mines Act, 1952; the enactment of Provident Fund Act, 1952; and appreciable progress in the implementation of the Minimum Wages Act (1948) and the Employees State Insurance Act (1948). Besides, considerable work has also been done in the matter of Training Schemes and Productivity Studies. On the whole, the progress can be said to be satisfactory.

Industrial Disputes (Amendment) Act, 1953

The Act relates to the provision of retrenchment and lay-off benefit to workers which has been long over due. Lay-off provisions, to start with, apply only to factories and mines employing, on an average, 50 persons, while retrenchment provisions are applicable to all undertakings covered by the main Act. Under the Act excepting 'badli' workers, all others who have put in one year's continuous service are entitled to 50 per cent. of basic wages and dearness allowance during periods of involuntary unemployment and to 15 days' average pay for every year of service put in, in addition to one month's pay in lieu of notice, by way of retrenchment compensation.

Joint Consultative Board

The Joint Consultative Board which is bipartite in character was set up in July 1951 with the object of affording an opportunity to the representatives of employers and workers for mutual negotiation. The Board has been very active during this period and has met four times. It has discussed issues of vital importance like Rationalisation, Retrenchment and Retraining, Labour Relations Bill, Productivity Studies and Norms for Bonus etc. The draft chapter on Labour and Industrial Relations was discussed by the Board before it was incorporated in the Plan. The next meeting of the Board will be held in February 1954, one of the important items of the agenda being the question of alteration of conditions of service during conciliation and adjudication proceedings.

Working Conditions

During the Plan period legislation relating to the working conditions in Plantations, and Mines has been passed. The Plantation Labour Act, 1951 extends to the whole of India except the State of Jammu and Kashmir and applies to coffee, rubber and cinchona plantations. The Mines Act 1952 also applies to the whole of India except the State of Jammu and Kashmir. Both the Acts are on the lines of Factories Act, 1948 and contain detailed provisions regarding the health, safety and welfare of workers. They regulate hours of work, and the employment of children and young persons, and deal with question of holidays with pay. The Plantation Labour Act also contains provisions regarding medical facilities, sickness and maternity benefits and housing accommodation.

Besides these legislative measures some progress regarding the collection of objective information has been made in the fields of industrial hygiene. With the help of an expert unit on industrial hygiene obtained under the Point Four Programme investigations and surveys have been conducted regarding health hazards in bichromate industries and dust hazards in mica mines and the refractries industry. The knowledge thus obtained will be utilised in the improvement of conditions of workers. A small booklet on occupational diseases has been prepared.

It is intended to set up a Central Labour Institute in Bombay comprising of a Museum of Industrial Safety, Health and Welfare, an Industrial Hygiene Laboratory, a Training Centre and a Library-cum-Information Centre. Arrangements for securing the necessary site for the Institute have been completed.

Implementation of the Minimum Wages Act (1948)

The Act requires the Centre and the State Governments to fix minimum wages in case of employments wherein low wage rates prevail as also for agricultural workers so as to ensure them a minimum standard of living. The progress in the case of the implementation of the Act has been rather slow due to the paucity of data and administrative difficulties. In view of these difficuties the Act had to be amended extending the last date for implementation in industries listed in Part I of the Schedule to the Act which relates to 12 classes of employment having low wage rates to 31st March 1952 and those in Part II of the Schedule relating to wages in agriculture to 31st December, 1953. Minimum wages in case of Part I of the Schedule have been fixed by the Central Government and by all States concerned except (a) Hyderabad, Madhya Bharat and Pepsu where the arrangements are in an advanced stage and extension of time limit is being awaited; (b) Assam and Coorg where wage rates have been fixed in case of some of the employments and steps have been taken towards their fixation in case of others. Minimum wages could not be fixed under the Act after 31st March, 1952, and this has been a handicap in the implementation of the Act. It has also to be remembered that the Act came into force in Part B and C States much later than it wes enforced in Part A States.

In case of Part II of the Schedule, the Act has been implemented in the States of Ajmer, Bilaspur, Coorg, Delhi, Himachal Pradesh, Kutch, Pepsu, Punjab and Rajasthan. Parts of States have been covered in the case of Assam, Bihar, Uttar Pradesh and Vindhya Pradesh. The Governments of Madras and Orissa have already notified their draft proposals while the Governments of Madhya Bharat, Hyderabad and Mysore have appointed Advisory Committees under Section 5(i)(a) of the Act. As all the States were not in a position to fix minimum wages by the scheduled date it is proposed to amend the Act so as to extend the time limit to enable the minimum wage rates to be fixed in the remaining areas by the 31st December, 1954.

Employees State Insurance Act (1948)

The Employees State Insurance Scheme has so far been implemented in Delhi, Kanpur, and in the State of Punjab, the number of workers brought under benefit being 185,000. The arrangements for the implementation of the scheme in Calcutta City and Howrah District are already in an advanced stage. It is intended that substantial progress regarding implementation in other large industrial areas like Bombay, Coimbator, Nagpur, etc., should be made by the end of 1954. Remaining areas likely to be covered by the end of 1955, i.e., by the end of the First Five Year Plan. The services of a team of 3 I.L.O. experts were secured to advise on the organisation of the scheme.

Employees Provident Fund Act (1952)

In the matter of social security mention may also be made of the Employees Provident Fund Act (1952) which applies, to start with, to six major industries namely, Cement, Cigarettes, Electrical and Mechanical Engineering, Iron and Steel, Paper and Textiles. Contributions to the fund began with effect from November, 1952.

Training Schemes

For purposes of formulating Training Schemes, the services of a number of I.L.O. experts were obtained. A Japanese expert explored the possibilities of developing cottage industries which would give employment to plantation workers, who had been rendered unemployed due to closure of tea gardens in Assam. His report is under consideration of Assam Govt. The services of an expert on Training within Industry have been secured from the I.L.O. and placed at the disposal of the Ahmedabad Textile Industries Research Association. The I.L.O. have been approached for an expert for one year to assist in the re-orientation of training schemes operated by the Directorate General of Resettlement and Employment.

Productivity

A beginning in productivity studies was made with the help of a team of I.L.O. experts who arrived in India in December, 1952. Five textile factories in Bombay State and five engineering units in the Calcutta region were selected with the object of demonstrating how productivity and earning of workers in these industries could be raised by the application of modern techniques of work study and plant organisation and, in addition, where appropriate, by the introduction of suitable systems of payment by results. The first phase of this study has been completed. The increase in productivity arising as a direct result of the team's work has been assessed at between 6 per cent. to 36·0 per cent. in the units in the textile industry and 12·5 per cent. to 116·0 per cent. in those of the engineering industry. The team has also taken care to ensure that its work is confined to increase in productivity by such means as do not involve addition of expensive equipment and does not result in retrenchment. Two of the experts of the Team have since gone back while the remaining two are at present engaged in conducting productivity studies in the Bombay Telephone Workshops. It is intended now to set up a National Productivity Centre to be staffed, to begin with, by the I.L.O. experts. The proposal is likely to be finalised shortly.

4. HOUSING

Until 1952 the only action taken by the Government of India to ease the housing situation in the country was in respect of industrial labour, for which interest-free loans were made available up to two-thirds of the total cost of construction on the condition that the balance was found by the State Governments or by employers of labour. The other conditions attached to the grant of loans by the Government of India were that the tenements constructed should be of approved standards comprising of two living rooms, a kitchen, a verandah, a bathroom and a lavatory and that the rents to be realised from the workmen should not exceed 10 per cent. of their income or 2½ per cent. of the total cost of construction of such houses, whichever is less. In view, however, of the prevailing high costs of construction, the balance of the economic rent over and above the contribution of 10 per cent. of their wages by workmen in the form of rent was such that State Governments and employers of labour were not able to participate in the scheme to any appreciable extent. The total number of houses constructed under the Scheme during 1951-52 was about 1,500 against a Central Loan of Rs. 1·68 crores.

The Planning Commission felt that an adequate subsidy besides loans was necessary to construct a sufficient number of houses for industrial labour. With this end in view the Planning Commission considered the question of costs and standards of houses for low-income group people with experts on planning, construction engineers, research organisations in building techniques and materials and housing economists. It was found that under present costs even a single room tenement with modern sanitary and other conveniences would require a subsidy of at least

50 per cent. to enable State Governments to let them out to workmen on a rent which will cover about 10 per cent. of their income. The Commission accordingly recommended that for the present only one room tenements with a minimum carpet area of 120 square feet, a verandah-*cum*-kitchen of at least 72 square feet and a courtyard with a cemented bathing place and a lavatory, should be provided to workmen in up country towns. In big cities like Bombay and Calcutta where land values and costs of construction are particularly high, single room tenements with verandah-*cum*-kitchen space, as in other towns, may be provided in multi-storeyed tenements with common flush lavatories, bathrooms and washing places.

The proposals of the Commission were accepted and a provision of Rs. 38·5 crores was made under the Five Year Plan for Housing. In Central Secretariat reorganisation in 1952 a separate wing on Housing was created and included in the Ministry of Works, Housing and Supply to administer the national housing programme and to take necessary steps to organise research in building techniques and materials with a view to minimise the cost of construction and to extend to the maximum extent the use of local building materials. A subsidised Industrial Housing Scheme came into force from September 1952. Under this scheme subsidies and loans have been sanctioned by the Government of India for the construction of minimum standard houses as described earlier for industrial workers. The State Governments are entitled under the Scheme to obtain 50 per cent. of the total cost of houses as subsidies and an equal amount as loan from the Government of India for housing factory workers, subject to a ceiling cost of Rs. 2,700 per tenement in upcountry towns and Rs. 4,500 in places like Bombay and Calcutta. Employers' and workers' co-operatives are also entited under the Scheme to a 25 per cent. subsidy. In addition employers are allowed loans up to 37½ per cent. of cost and workers' co-operatives 50 per cent. of cost as loans repayable by annual instalments in 15 years. The rate of interest is the current Government of India borrowing rate plus service charges. Up to December, 1953 Rs. 369 lakhs were sanctioned as loans and Rs. 343 lakhs as subsidies to State Governments for the purpose of constructing 24,130 tenements. In addition, Rs. 37·26 lakhs were sanctioned as loans and Rs. 28·49 lakhs as subsidies to employers of labour to construct 4,668 tenements in different towns of the country.

Besides the provision made by the Central Government for housing during the Five Year Plan the State Governments as a whole had a provision of Rs. 10·91 crores for housing. Up to the end of 1952-53 about 4,800 houses were constructed by various State Governments under the said Scheme.

The steps taken so far barely touch the fringe of the housing problem. The important towns in the country are still full of slums and large numbers of people are living on pavements and in unauthorised temporary structures set up in available open spaces anywhere in the towns. This has created fresh problems for the local authorities as well as the health authorities. The additional pressure which they put on the existing municipal services, has created new difficulties in the major towns of the country. With the heavy increase of population during the last census and the large migrations of people from rural areas to the towns, the urban housing problem has assumed vast proportions.

Proposals have already been received from a number of industrial towns for the purpose. These are under scrutiny with a view to evolving a scheme of slum clearance.

Private enterprise has been the main stay of housing so far. During and immediately after the war, private enterprise received a set-back in its activity on account of the scarcity of building materials and high cost of construction. During the last five years private enterprise has

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again become active in the principal towns. With a view to encouraging private individuals to invest their savings in housing, it is proposed to assist co-operative societies of middle class people, government employees and other salaried classes of people by developing new lands and making them available to co-operative housing societies at reasonable rates and by offering them loans for the construction of houses at low rates of interest. Housing offers quite a high employment potential. It is expected that the schemes outlined above will help in creating substantial employment for all classes of people.

The problem of rural housing is also important. In view, however, of the comparatively open areas in which our villages are situated and in view of the availability of sufficient lands for housing purposes in villages, the problem of rural housing is different from that of urban housing. The major requirements of villages are the supply of potable water, drainage and means of communications. With a view to making structural improvements in houses in the villages, action is being taken through the Community Projects Administration by providing model houses and assistance for self-help housing in Community projects and National extension blocks.

The Commission has also recommended the establishment of a National Building Organisation for the purpose of co-ordinating research in building materials and techniques as well as to put into actual practice through Public Works Departments and other construction agencies the results of existing research and experiments in India and other parts of the world. The formalities regarding the constitution of a National Building Organisation have already been completed and its personnel will soon be announced by the Government. In addition an Experimental Unit and a Rural Cell have also been established in the Ministry of Works, Housing and Supply to—

(*a*) ensure the utilisation of the results of successful experiments in actual building practice mainly in urban areas by the Central Public Works Department; and

(b) to assist improvements in rural housing by offering suitable designs and methods of construction for different regions of the country through the Community Projects Administration in the first instance and through Village Panchayats, whenever they approach the Ministry of Works, Housing and Supply for assistance.

5. WELFARE OF BACKWARD CLASSES

At the census of 1951 the total population of scheduled tribes and scheduled areas was 19·1 million and of scheduled castes 51·3 million. The scheduled castes and tribes constitute the bulk of those who are described as backward classes, but there are other groups, whose precise character is at present under the consideration of the Backward Classes Commission, who also require much the same order of assistance as scheduled castes and tribes. One of these groups consists of those who were formerly known as criminal tribes, whose social and economic problems continue to require special attention even though the Criminal Tribes Act 1924 was repealed in August, 1952.

The Constitution made special provision for the needs of backward classes, for it was widely felt that ultimately it is the measure in which their social and economic progress is realised which would provide an acid test for the progress of the country as a whole. While formulating the Plan and allocating resources for development, an effort was made to provide means for giving practical effect to the provisions of the Constitution bearing on the welfare of backward classes. The economic life of backward classes generally, and of scheduled castes and similar groups in particular, is closely bound up with the progress and activities in the rest of the community. Programmes which are designed to raise the general standard of [illegible]ing and to develop local resources undoubtedly exert a beneficial effect on backward classes, Nevertheless, it is recognised that to enable backward classes to take full advantage of the new opportunities and in some measure to resolve difficulties peculiar to their social conditions, special programmes of assistance are needed. For this purpose the Plan provided a sum of about Rs. 45 crores, of which more than Rs. 23 crores are in the form of grants to be made by the Central Government for suitable schemes in the States.

Special programmes for backward classes which have been implemented in the first half of the Plan period fall mainly into the following categories:—

1. Educational and vocational training schemes.
2. Roads and communications.
3. Social services.
4. Schemes for economic betterment.
5. Improvement of administrative services.

Educational concessions for backward classes include the provision of free education at various levels for deserving candidates, grants for books and for other educational equipment. award of stipends and scholarships and opening of new schools and hostels. In some States clothing and mid-day-meals are also provided. Education of the basic type is of special assistance to backward classes. Efforts are also made to provide social education programmes including lessons in personal hygiene and civics and forest and revenue laws. State Plans contain a total provision of Rs. 5·34 crores for educational schemes which is supplemented by grants from the Centre. The estimated expenditure in the States for 1951-54 is likely to be of the order of Rs. 2·5 crores. Arrangements are also being made in some States to provide training in crafts suited to local conditions, followed by financial assistance to successful trainees to start life.

Cart roads and pathways have been built to connect the inaccessible regions with the neighbouring villages, and postal services have also been extended to some of these backward areas. In the States, out of a provision of Rs. 2·16 crores, during the first three years expenditure amounting to nearly Rs. 1 crore is expected to be incurred.

Social services for backward classes comprise medical and public health facilities as well as cultural and other welfare amenities. Among welfare activities the provision of drinking water supply may be specially mentioned. Further, the State Governments have, in consideration of the regional and cultural needs, taken up other schemes for the benefit of backward classes for which a total sum of Rs. 766·3 lakhs is estimated to have been spent during the first half of the Plan. On the medical and public health side, anti-malaria programme and provision of mobile health vans to serve the remote areas in the interior have received greater attention.

On the economic side, an increasing effort is being made to find land for allotment to groups belonging to backward classes, the allottees being organised in multi-purpose co-operative societies. Co-operative societies are also provided for other purposes where land cannot be made available. Allotment of land is expected to help the tribals to give up their practice of shifting cultivation and would incidentally help grow more food. In this respect out of the total provision of Rs. 188·0 lakhs in the States' Plans, a sum of Rs. 3·4 lakhs was spent during 1951-52. Rs. 25·2 lakhs and Rs. 28·3 lakhs were provided for years 1952-53 and 1953-54 respectively.

The Plan recognised that in view of the complicated and delicate nature of work in connection with the welfare programmes for the backward classes, it was necessary to improve and reorganise the administrative services in the backward areas. It was also essential that increasing opportunities should be given to candidates from amongst the backward classes to shoulder administrative responsibilities. Several States have set up separate welfare departments for the backward classes. It is also proposed to institute special training courses in tribal welfare to help administrators and social workers to implement programmes for the advancement of tribal people. Tribal Advisory Councils have been constituted in all the States where there are scheduled areas and also in West Bengal.

It may be observed that the amounts of developmental expenditure in the States' Plans mentioned above have been very largely supplemented by grants-in-aid from the Centre. These grants have risen from Rs. 159·75 lakhs in 1951-52 and Rs. 200·25 lakhs in 1952-53 to Rs. 275·75 lakhs in 1953-54.

The role which voluntary welfare organisations can play in the implementation of the programmes for backward classes is well understood. State Governments are making increasing use of these agencies and are also assisting them in their work.

North-East Frontier agency

Special attention has been given under the Plan to developmental and welfare schemes in the North-East Frontier agency. The original provision of Rs. 300 lakhs has recently been increased to Rs. 414·77 lakhs.

Development in this region depends mainly upon two factors, communications and personnel. So far as personnel is concerned, a special cadre of administrative officers has been recently constituted for service in the North-East Frontier agency.

As for communications, it is proposed to complete 1,639 miles of road during the five year period, of which 371 miles of road have already been constructed.

On the medical side 16 mobile health units, two hospitals and 8 dispensaries, have been opened and three leprosy colonies have been established. A separate staff under a senior Malaria Inspector has been appointed. 14 mobile units have also been set up for touring in the hills. The number of doctors and compounders now functioning in the area are 94 and 86 respectively.

67 lower primary schools, 6 middle English schools and 3 cottage industries training centres have been started under the Plan. A teachers' training institute has also been established. A number of stipends have also been awarded to students qualifying as agricultural graduates, veterinary graduates and veterinary field assistants.

Besides the development plans enumerated above, a community development block has been taken up in the Lower Minyong and Lower Padam areas on both sides of the Diheng river in the Abor Hills District.

6. Rehabilitation of Displaced Persons

According to the census of 1951, the total population of displaced persons in India was 74·80 lakhs, roughly comprising of 49·05 lakhs from West Pakistan and 25·75 lakhs from East Pakistan. Subsequently about 6 lakhs more displaced persons are understood to have come over from East Pakistan. By the end of 1953-54, a total expenditure of Rs. 209·03 crores will have been incurred on the evacuation, relief and rehabilitation of displaced persons:

(Rs. crores)

	Expenditure up to March 1953	1953-54 (Budget)	Total
Displaced persons from West Pakistan.	124·67	16·76	141·43
Displaced persons from East Pakistan.	47·19	12·69	59·88
Loans by Rehabilitation Finance Administration.	5·22	2·50	7·72
TOTAL .	177·08	31·95	209·03

Apart from relief, under the Plan a total expenditure of Rs. 85 crores was provided for, mainly for the period 1951—54. Recently the progress of rehabilitation programmes has been reviewed, and a further provision of Rs. 45 crores has been made for the two years 1954—56. This will provide funds for implementing the proposals of the Fact Finding Committee relating to East Pakistan displaced persons and also for programmes such as housing and development of satellite colonies and refugee townships for displaced persons from West Pakistan. The pattern of expenditure according to the Plan, as it stands at present, is given in the following table:—

(Rs. crores)

Head	1951-52	1952-53	1953-54	1954-55	1955-56	Total 1951—56
Rural loans .	3·87	4·15	3·94	4·00	3·90	19·86
Urban loans .	2·40	1·80	1·70	2·70	3·60	12·20
Urban Housing .	16·11	11·76	11·58	14·95	9·45	63·85
Technical and Vocational Training and Education.	4·17	4·51	3·62	3·05	3·05	18·40
Loans by the Rehabilitation Finance Administration.	1·89	1·05	2·50	3·00	3·00	11·44
TOTAL	28·44	23·27	23·34	27·70*	23·00*	125·75

Displaced Persons from West Pakistan

The number of displaced persons from West Pakistan living in relief camps at the end of 1947 was estimated at 12·5 lakhs. The camps were gradually liquidated as rehabilitation progressed. Now there are about 36,000 persons in camps; they are the unattached women and children, old and infirm persons along with their dependants for whose maintenance responsibility has been accepted by the Central Government.

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* These allocations are tentative.

About 2·5 million displaced persons from West Pakistan were settled on land left by evacuees and an equal number in urban areas. In all about 5·31 lakhs of families were allotted about 23·8 lakhs "standard acres" of land in Punjab and Pepsu on a quasi-permanent basis; about 7·63 lakhs acres of evacuee land were allotted in other States on a temporary basis. In addition, about 33,000 families have been settled as tenants-at-will in Punjab and Pepsu. Up to the end of 1952-53, a sum of Rs. 9·11 crores was advanced to agriculturists through the State Governments, mainly as rehabilitation and loans.

The immediate needs of displaced persons in urban areas were housing and employment. By the end of March 1953, in addition to making 179,000 evacuee houses available, the Government had constructed 139,000 new houses and private parties had constructed 42,000 houses with some aid from the Government. Thus, in the space of five years the accommodation available for displaced persons was more than doubled. Altogether, 14·7 lakh persons were allotted the evacuee houses and 9·10 lakh persons went into the new houses.

To assist refugees in finding gainful employment the Central Government advanced over Rs. 11 crores to States for grant of loans (upto a maximum of Rs. 5,000 in each case). The Rehabilitation Finance Administration which was established by the Central Government for advancing loans exceeding Rs. 5,000 have so far disbursed about Rs. 5 crores. In addition, about 61,000 evacuee shops and industrial premises have been allotted to displaced persons. About 4,000 shops for displaced persons will be constructed by the end of 1953-54.

With a view to helping displaced persons in establishing themselves in various trades and industries, special quotas of controlled commodities, such as iron, steel, yarn, sugar etc. were set apart for them. Special consideration was also shown to them by various States in allotting ration and fair-price shops. Displaced contractors taking up Government contracts were exempted from certain sureties. Similarly, facilities were given to displaced businessmen in obtaining import and export licences, electric power, telephones etc. Facilities were also accorded to them for recruitment in Government services. Upto August, 1953, about 1·73 lakhs of displaced persons had gained employment through Employment Exchanges.

Technical and vocational centres were set up in various States so as to enable displaced persons to acquire new skills and find employment. By August 1953, 62,000 persons had been trained in various crafts and about 9,000 were still under training.

In 1950, claims were invited from persons who had left immovable property in West Pakistan. These claims were verified and in January, 1953 it was decided to invite applications for payment of compensation from certain categories of displaced persons in accordance with a scheme of priorities which had been drawn up. The payment of compensation and rehabilitation grants has recently commenced. The scale of interim compensation and rehabilitation grants for displaced persons having claims to immovable property is given in the Annexure to this chapter. By way of immediate assistance the recovery rents of evacuee houses or houses belonging to the Government has been suspended in the case of those persons who are entitled to compensation on account of evacuee property.

Townships

The large influx of displaced persons accentuated the housing shortages in the towns. An extensive building programme was therefore undertaken by the

Government. In addition to extensions of about 150 cities and towns, it was planned to build 12 new townships which could provide accommodation to about 450,000 persons. It was intended to provide all the civic amenities also in these townships. While the construction targets were completed, in the development of these towns in their economic aspect difficulties were encountered and for reasons which are partly of a general character and partly specific to particular towns, in several of them there has been a considerable amount of unemployment. This problem is being given special attention in connection with the programme for the next two years.

Displaced Persons from East Pakistan

From the beginning an attempt was made to rehabilitate displaced persons from East Pakistan either near the place of their ultimate settlement or where employment could be found for them. A large proportion of these persons come from the rural areas but are not cultivating agriculturists and they have on the whole shown marked preference for rehabilitation in West Bengal, so that employment opportunities in the neighbouring States have not been as fully utilised or developed in their interest as was at first intended. The evacuee property legislation does not apply to West Bengal and Assam. About 2·49 lakh families have been settled on land previously owned by the Government, private parties and tea plantation. Financial assistance to the extent of about Rs. 8 crores has so far been made available to them in the form of loans for the purchase of agricultural implements etc.

In respect of urban housing the general aim in the eastern region has been to provide building sites and loans and to leave the actual construction to the displaced persons. About 10,000 residential units have, however, been constructed so far by the Government. Loans to the extent of about Rs. 6 crores have been advanced as loans up to Rs. 5,000 for starting business or industry; loans exceeding Rs. 5,000 amount to about Rs. 3 crores. About 11,000 persons have so far completed training in the vocational centres and about 5,000 are receiving such training.

ANNEXURE

Scale for Interim Compensation and Rehabilitation Grants to Priority Categories of Displaced Persons.

Assessed Value of Urban Claim	Interim Payments		TOTAL
	Compensation	Rehabilitation Grants	
Rs.	Rs.	Rs.	Rs.
1,000 . . .	200	400	600
2,000 . . .	400	800	1,200
3,000 . . .	600	1,009	1,609
4,000 . . .	800	1,180	1,980
5,000 . . .	1,000	1,327	2,327
6,000 . . .	1,200	1,454	2,654
7,000 . . .	1,400	1,567	2,967
8,000 . . .	1,600	1,666	3,266
9,000 . . .	1,800	1,758	3,558
10,000 . . .	2,000	1,840	3,840
12,000 . . .	2,400	1,980	4,380
14,000 . . .	2,800	2,097	4,897
16,000 . . .	3,200	2,193	5,393
18,000 . . .	3,600	2,200	5,800
20,000 . . .	4,000	2,144	6,144
22,000 . . .	4,400	2,024	6,424
24,000 . . .	4,800	1,832	6,632
26,000 . . .	5,200	1,576	6,776
28,000 . . .	5,600	1,301	6,901
30,000 . . .	6,000	1,024	7,024
35,000 . . .	7,000	305	7,305
40,000 . . .	7,558	..	7,558
45,000 . . .	7,787	..	7,787
50,000 & Over. .	8,000	..	8,000

CHAPTER IX

LAND REFORM

THE MOVEMENT for land reform has received considerable impetus during the first half of the period of the Plan. In the Plan an attempt was made to formulate a comprehensive land policy which took into account current trends and also pointed to goals which would be consistent with the social and economic aims of the Plan. During 1953, in increasing measure States are taking into consideration recommendations made in the Plan; equally, these recommendations are being subjected to the test of practical application and due account is being taken of local conditions and requirements. Measures of land reform have a vital bearing on the implementation of programmes of rural development and it is important that their close relationship with these programmes should be borne in view.

2. Developments in the field of land reform in different States were briefly reviewed in the progress report for the first two years of the Plan. In what follows, it is proposed to set out the main facts concerning the implementation of different aspects of land policy such as, the abolition of intermediaries, tenancy reform, consolidation of holdings, fixation of minimum holdings, imposition of ceilings etc.

ABOLITION OF INTERMEDIARIES

3. Since Independence, abolition of intermediaries has been accepted as a policy by all State Governments. The Planning Commission recommended that this process should be expedited.

All Part 'A' and Part 'B' States except West Bengal, Mysore and Travancore-Cochin have enacted legislation for the abolition of intermediaries. In West Bengal, a Bill for the abolition of zamindari has been passed recently by the State legislature. Among Part 'C' States, Vindhya Pradesh, Delhi and Himachal Pradesh legislatures have passed Bills; in other States, like Ajmer, Bilaspur, Tripura, legislation has not yet been completed.

In the implementation of these measures, progress has been comparatively easy in States where an adequate revenue and administrative machinery existed. In Uttar Pradesh and Madhya Pradesh all the estates have been taken over.

In permanently settled areas, revenue administration is still in the process of being built up. Madras, which was the first to enact the legislation, has also taken over most of the estates. In Bihar, estates with an annual income of Rs. 50,000 or more have so far been taken over by the Government. In Orissa most of the large estates have already been taken over and it is expected that the process will be completed in about a year. In Assam, the law made in 1951 has recently been amended in the light of decisions of the Supreme Court, and preparation of the record of rights has been undertaken.

In Bombay, only a small area was held under intermediary rights and action for their elimination is almost complete. In Punjab, tenants with occupancy rights have become owners of land on payment of compensation in instalments; the rights of superior owners had been transferred to inferior owners in 1951.

Among Part 'B' States, Hyderabad took over all jagirs in 1949 and Saurashtra in 1951. Abolition of jagirdari in Madhya Bharat and Rajasthan has been held up by suits contesting the validity of the legislation. In Rajasthan, an agreement has been reached between the State Government and the jagirdars and the legislation is being amended. Madhya Bharat and Saurashtra had also some area under zamindari settlements. In Madhya Bharat zamindari was abolished in December, 1951. In Saurashtra the tenants in the zamindari areas have been given the right to purchase their holdings and are being provided necessary finance through co-operatives. Out of 55,000 tenants, 25,000 have already acquired or applied for purchase of their holdings. In Pepsu, action has been taken on lines similar to those adopted in the Punjab; ownership has been vested by law in the occupancy tenants.

In Vindhya Pradesh and Bhopal all jagirs with a gross annual income of Rs. 5,000 or above, have been resumed.

To sum up, the principal States where action for the abolition of intermediaries remains to be taken are Assam, West Bengal, Mysore and some Part 'C' States like Ajmer. The progress of implementation in most States under permanent zamindari and jagirdari settlements will depend very largely on the speed with which the revenue-*cum*-development administration is built up. This aspect continues to require special attention.

4. The intermediaries will be paid compensation for the acquisition of their rights mostly in bonds, bearing interest at 2½ to 3 per cent. The bonds will be redeemed in periods ranging upto 40 years, the annual liability being met out of the increased land-revenue. Preliminaries for the issue of bonds etc., are being worked out. Madhya Pradesh has arranged to pay the whole compensation in cash in eight instalments and has already paid about half the total amount due. As assessment of compensation and issue of bonds will take some time, interim compensation is being paid in cash. Madras has set apart a sum of Rs. 3¼ crores for the purpose and has also decided to pay Rs. 3 crores more in bonds. U.P. has paid about Rs. 2½ crores in interim compensation.

5. In addition to compensation, the intermediaries have been allowed to retain their home-farm lands. In some

States, like Rajasthan and Saurashtra, the jagirdars and other intermediaries who did not have land for personal cultivation, will obtain allotments of land from the culturable waste.

6. On the abolition of intermediaries, the tenants holding land under them, will have come into direct relation with the State. Even where they have not become full owners, this has given them better status and a greater feeling of security. In Part 'A' States, the tenants holding land from intermediaries had generally acquired security of tenure and their rents were regulated by law in the thirties or earlier. In Assam, Bihar, Madras, West Bengal and Madhya Pradesh they have also considerable rights of transfer. In Uttar Pradesh where the right of transfer was restricted, they would be required to pay for the acquisition of such rights. In some Part 'B' and 'C' States where their rights were not defined and rents were high, security of tenure has been conferred and rents have been considerably reduced. In Rajasthan, the maximum rent is fixed at 1/6th of the gross produce. In Saurashtra, the tenants holding land from *jagirdars* (Barkhilidars) have become full owners and pay assessment only; the tenants of zamindars will pay rent at 1½ times the assessment until they acquire ownership rights on payment of compensation. In Hyderabad, Vindhya Pradesh and Bhopal, the persons holding land under jagirdars have become full owners.

REFORM OF TENANCIES

7. The tenants holding land under intermediaries were not in all cases cultivating their lands. The intermediaries also do not always cultivate their home-farm lands. Considerable areas have been leased out by both to subtenants. On abolition of intermediaries, the sub-tenancies, however, remain. In ryotwari areas of Bombay, Madras, Mysore, Berar etc., as well as in the States of "peasant proprietors" like Punjab, Pepsu and Delhi, there are

holdings parts of which are sublet. The extent to which sub-letting prevails has not been definitely ascertained but there is no doubt that there is a sizeable tenancy problem.

8. The main aspects of tenancy reform are:—

(*i*) scaling down of rents,

(*ii*) security of tenure, and

(*iii*) right for the tenants to purchase their holdings.

Rents

9. In the Five Year Plan, it has been suggested that the general level of rents should ordinarily not exceed 1/4th or 1/5th of the gross produce. In most States, legislation for reducing rents has been enacted. There are, however, large variations in the maximum rents fixed—from one-sixth of the gross produce in Bombay to three-fifths in Madras (Tanjore) as detailed below:—

Assam—A crop-sharer is not to pay more than one-fourth of the gross produce if he supplies plough cattle; otherwise one-third.

Bihar—The cash rent payable by a sub-tenant is not to exceed by more than 50 per cent. of the rent payable by the immediate landlord. Produce rents are not, however, regulated by law.

? *Bombay*—One-sixth of the gross produce.

Madhya Pradesh—Rent in Berar is not to exceed 5 times the land revenue. In the zamindari areas of the State, the rent payable by sub-tenants is not regulated by law.

Orissa—Crop rent is not to exceed two-fifths of the gross produce.

MADRAS:

Malabar—Half of the net produce or one-fourth of the gross produce in case of wet lands and three times the annual assessment in case of dry lands.

Tanjore—Three-fifths of the gross produce of the principal crop;

In other parts—Rent is not regulated by law and varies generally from one-third to three-fourths of the gross produce.

Punjab—One-third of the gross produce.

Uttar Pradesh—Rent payable by sub-tenants is not to exceed 133 1/3 per cent. of the hereditary rent rate.

West Bengal—Crop-sharers using their own bullocks will pay as rent one-third of the gross produce (after making an allowance for seed) and two-thirds where bullocks and implements are provided by the landlords. Cash rent payable by sub-tenants is not to exceed one-third of the value of the produce.

Hyderabad—One-third of the produce or its value in case of irrigated lands (except that irrigated by wells) and one-fourth in the case of all other lands. Under the amending Bill now under consideration, it is proposed to fix the maximum rent between 4 and 5 times the land revenue depending upon the class of land.

Madhya Bharat—Twice the assessment (in case of sub-tenants).

PEPSU—One-third of the gross produce.

Rajasthan—One-sixth of the gross produce.

Mysore—One-half of the produce.

Travancore-Cochin—In Cochin the rents payable by tenants-at-will (Verumpattam tenants) cannot be enhanced or reduced. In Travancore there is no law limiting the rent.

Vindhya Pradesh—The Tenancy Bill already published provides that rent payable by sub-tenants should not exceed 5 times the land revenue in case of irrigated lands and 3 times for other lands.

Himachal Pradesh—One-fourth of the produce.

Delhi—The Delhi Land Reforms Bill, 1953 provides that the maximum rent shall not exceed one-fifth of the gross produce. The rent was not regulated before.

Ajmer—One-fifth of the produce (excluding chaff).

Rent regulation, unless it is accompanied by security of tenure, is often not effective.

Security of tenure

10. In the Five Year Plan, the tenancy problem was regarded as falling into two parts; namely (1) in so far as it related to tenants of substantial owners who hold, say, more than three times the family holding; and (2) the tenants of small and middle owners. As regards the former group of tenants, the recommendation was that they should be given security of tenure extending to the conferment of occupancy rights subject, however, to the landlord's right to resume for personal cultivation an area not exceeding 3 family holdings. Secondly, by laying down the price of land as a multiple of rental value and a scheme for payment in instalments, these tenants should be enabled to become owners of their tenancies. As regards the tenants of small and middle owners, it was proposed that within a period of, say, five years, an owner may be permitted to resume an area which the adult workers of his family can cultivate with the help of such agricultural labour as may be customary; and if he failed to do so, the tenant should have the right to purchase the

land. In future, lease should ordinarily be for 5 to 10 years and should be renewable, resumption being permitted if the owner himself wishes to cultivate. A few States have adopted or are considering measures along these lines, but in many others much remains to be done.

11. The area which a landlord can resume for personal cultivation by ejecting tenants (inclusive of the area he already holds under his personal cultivation) in various States is as given below:—

Bombay—Maximum resumption of 50 acres, subject to the provision that no tenant is displaced from more than half his holding. Small owners, holding less than 16 acres of *juar* or cotton land or 4 acres of rice or irrigated land, may resume their entire area. Only those owners whose main source of income is agriculture have the right to resume land.

Madhya Pradesh—50 acres in Berar. No limit has been fixed in other parts of the State.

Orissa—33 acres.

Punjab—30 'standard' acres (as a temporary measure, 50 'standard' acres in case of displaced allottees).

Uttar Pradesh—8 acres. But the right of resumption will accrue only in areas in respect of which a notification is made by the State Government.

Hyderabad—5 times the economic holding. The legislation is being amended to reduce the limit for resumption to 3 family holdings subject to the condition that as far as possible no tenant is thrown off the land wholly.

Rajasthan—75 acres of unirrigated land or 25 acres of irrigated land.

Mysore—Half the area held by the tenants in every case, and, in addition, where a tenant holds more than 10 acres, a percentage of the tenant's share of one-half, varying between 25 to 5 per cent.

Delhi—The draft Land Reforms Bill does not provide for any resumption and consequently does not permit the displacement of any cultivating tenant.

Pepsu—Half the area owned but not exceeding 30 'standard' acres or less than 10 'standard' acres.

Himachal Pradesh—The Himachal Pradesh land reforms bill provides for a maximum resumption of 10 acres, subject to the provision that no tenant is displaced from more than one-fourth of his holding.

There are, thus, large variations in resumable area. Some of the States like Assam, Bihar, Madras, West Bengal and Madhya Bharat, have so far placed no limit on the area which a landlord can resume for personal cultivation. In cases where the resumable area is put at a high figure, it may well have grave consequences in the displacement of a large number of the actual tillers of the soil.

12. The effectiveness of the measures has frequently suffered for lack of proper enforcement. It has been further impaired for two reasons. In most States (except Punjab and Pepsu) the resumable area is not demarcated. Secondly, no time limit has been prescribed during which a landlord could resume land for personal cultivation so that in case of failure to do so, the tenant could acquire permanent rights in land. Tenants are thus placed under a constant and continuing fear of ejectment.

The minimum period of lease has been fixed in some States. In Bombay and Hyderabad, it is 10 years, the lease being renewable at the option of the tenant unless the landlord serves one year's notice for resuming the land for his personal cultivation. In Berar (Madhya Pradesh), it is 5 years, the lease being renewable as in Bombay and Hyderabad. In Tanjore (Madras) and Mysore, it is 5 years. In the Punjab, the minimum period of lease is fixed at 10 years; this applies only to tenants of the non-resumable area; and tenants of land below this limit can be evicted at the end of an agricultural year. The Himachal Pradesh and Delhi land reforms bills provide for a minimum term of lease for five years. Other States do not appear to have fixed a minimum term for lease.

Right of purchase

13. Bombay, Uttar Pradesh, Hyderabad, Madhya Bharat, Pepsu, Delhi and Himachal Pradesh have made legislative provisions for the purchase of land by the tenants. Except in Delhi, where the legislation provides for immediate conferment of ownership rights on all tenants and recovery of compensation from them in 10 annual instalments at a rate not exceeding 32 times the land revenue, in other States tenants have been given the option to purchase their holdings. In Bombay, protected tenants have a right to purchase land provided the land owner's holding is not reduced below 50 acres; the price of land payable by the tenant is to be determined by a Land Tribunal and will, in general, be the average market price. In the case of tenants belonging to backward classes, however, the State Governments have assumed powers to fix the minimum price. The price so determined is to be payable in 10 instalments spread over a period not exceeding 15 years.

In Uttar Pradesh the right to purchase land will accrue to sub-tenants in 1957 *i.e.* after 5 years from the commencement of the Land Reforms Act of 1952. The price will be equal to 15 times the hereditary rent rate. No specific provision has been made for payment in instalments.

In Hyderabad, a protected tenant is being given the right to purchase land upto a family holding provided the landlord is left with 2 family holdings. The price will vary from 6 to 15 times (depending upon the class of land) of the rent payable by him.

In Pepsu, tenants have been given the right to purchase their holdings provided the landlord is left with 30 'standard' acres. The price payable will be equal to 90 times the land revenue or Rs. 200 per acre whichever is less and will be payable in instalments not exceeding six.

In Madhya Bharat, all sub-tenants have been given the right to buy out their landlords on payment of compensation determined in terms of multiples—varying from 2 to 6—of the net income of the landlord.

In Himachal Pradesh, the land reforms bill provides for the right of purchase for tenants of non-resumable area at a price equal to 48 times the land revenue and payable in instalments.

In most States, these provisions have yet to be enforced. It appears, however, that progress will depend very largely on the ability of State Governments to arrange for the financing of land purchases by tenants, a task which has still to be attempted.

CENTRAL COMMITTEE FOR LAND REFORMS

14. It will, thus, be observed that while some States have already adopted far-reaching land reform legislation, in others progress has not been as good. Land policy has, however, to be worked out in each State in terms of local needs and conditions. Even though, the pace of land reform and economic development cannot be the same all over the country, it is desirable that, as between different States, there should be a broad, common approach in land reform programmes, and as an essential aspect of the implementation of the Five Year Plan, the stages in which the land

reforms are to be carried out should be considered by the Central Government and the States. The Commission had, therefore, recommended the setting up of an organisation in the Central Government so that the pace and problem of land reform in different parts of the country could be dealt with as a national programme. In pursuance of this recommendation, the Government of India, have constituted a Central Committee for Land Reforms. This Committee consists of the Chairman and Members of the Planning Commission as well as the Minister of Food and Agriculture, the Minister of Home Affairs and States and the Minister of Agriculture. The Central Committee is assisted by a Land Reforms Division in the Planning Commission working in close cooperation with the appropriate section of the Ministry of Food and Agriculture and has the following functions:—

(*i*) to maintain continuous study of problems relating to the ownership, management, cultivation and distribution of land;

(*ii*) to assist States in determining and carrying out programmes of land reforms;

(*iii*) to evaluate and report from time to time upon the operation, progress and effects of measures of land reform, including enforcement of limits on personal cultivation and ownership, reduction of rent, security of tenure, consolidation and prevention of fragmentation of holdings, and development of agriculture on co-operative lines;

(*iv*) to advise on schemes of co-operative resettlement on land; and

(*v*) to recommend such measures and adjustments in land policy as may be necessary with a view to the fulfilment of the Directives of State Policy prescribed in the Constitution and the programme and objectives of the First Five Year Plan.

The Committee has since its inception in May, 1953, considered and advised on the land reform proposals of PEPSU, Delhi and Himachal Pradesh Governments and it is hoped that within the period of the Plan it should be possible to complete the first phase of the programme for the abolition of intermediaries and the reform of tenancies so that during the period of the next Plan, it should be possible to achieve the re-organisation of the agricultural economy.

CENSUS OF LAND HOLDINGS AND CULTIVATION

15. In making its recommendations on land policy in the Five Year Plan, the Planning Commission drew attention to the inadequate information available regarding the distribution and size of holdings. It is not generally known how much area is held by tenants and how much under the personal cultivation of owners. It is necessary that land reform policies, particularly in respect of ceilings on holdings, should be supported by necessary statistical data. With these considerations in view, the Planning Commission recommended that all States should co-operate on undertaking a census of land holdings and cultivation. The details of the data to be collected during the course of the Census have been worked out recently in consultation between the Planning Commission, the Central Statistical Organisation and the Ministry of Food and Agriculture. The Government of India have addressed the State Governments requesting them to draw up a programme for this census. The completion of work on the land census is a vital stage in each State in carrying out the policy for limiting holdings.

In consultation with the Research Programmes Committee of the Planning Commission, a programme of work has been drawn up for objective inquiries through universities and research institution into the steps taken in the States to implement land reforms, their effectiveness and their effect upon agricultural economy.

CEILINGS ON HOLDINGS

16. An aspect of land reform which has attracted considerable public attention recently is the question of ceiling on holdings. In the Five Year Plan, three main recommendations have been made in this respect, namely:—

(i) There should be an absolute limit to future acquisition of land;

(ii) As an interim solution, each State should enact land management legislation prescribing standards of cultivation and management and the obligations to be observed by all landlords, and also setting up the necessary machinery for land management. Farms above a limit to be fixed (which may be the limit for resumption of personal cultivation) should be divided into two groups, namely, those which are so efficiently managed that their break-up would lead to a fall in production, and those which do not meet this test. In the case of the second group of farms, which will be the vast majority, the Government should take over management for the settlement of landless cultivators in co-operative groups and otherwise. Where assumption of management results from failure to maintain prescribed standards of cultivation, settlement of tenants can be made without payment of compensation. There will, thus, be left only those large holdings which are well managed and which, under the legislation, should be made to serve social and economic purposes—grow good seed for distribution and in other ways assist in the spread of good agricultural techniques.

(iii) As an ultimate solution, the Planning Commission has suggested that, following upon a census

> of land holdings and cultivation, if any State finds that public interests demand the acquisition of such efficiency managed holdings and their re-distribution, it can, then, undertake legislation.

The States of Uttar Pradesh, Hyderabad, Madhya Bharat and Delhi have adopted legislation for ceilings on future acquisitions; in U.P. and Delhi the limit is set at 30 acres, in Madhya Bharat at 50 acres, in Hyderabad at 5 times the family holding. Other States, it appears, have yet to initiate action.

In regard to the interim solution, only a few States have so far taken action; in Hyderabad and Himachal Pradesh Bills have recently been passed in State Legislatures. In other States the proposals are still under consideration. Action for the determination of absolute ceilings on holdings can be taken only after the necessary data have been collected during the census of land holdings and cultivation.

SUB-DIVISION OF HOLDINGS

17. Small and uneconomic holdings are a formidable obstacle to agricultural development. The problem of small holdings is further aggravated by fragmentation. The immediate cause of progressive diminution in the size of holdings is sub-division or partitions on inheritance.

In U.P. such partitions as would result in a holding of less than 6¼ acres are not permitted; instead such a holding is to be put up for sale and the sale proceeds distributed between the tenure-holders.

In Hyderabad, such partitions and transfers as would result in reducing a holding below the size of a basic holding are not allowed.

In Madhya Bharat, partitions which result in holdings of less than 15 acres or transfers which result in holdings of less than 5 acres of irrigated land and 15 acres of unirrigated land are not permitted.

In Vindhya Pradesh, sub-division of holdings of 5 acres or less is prohibited.

The Delhi Land Reform Bill provides for legislation on the lines of U.P.

In Punjab and Bombay restrictions have been placed upon transfers to prevent the multiplication of uneconomic holdings. Legislation on these lines has recently been passed in Himachal Pradesh.

CONSOLIDATION OF HOLDINGS

18. Action for consolidation through co-operatives on a purely voluntary basis had been undertaken in many States. In Madhya Pradesh, the Consolidation of Holdings Act of 1928 provides for consolidation on the application of not less than one-half of the number of holders on land in the village or persons holding two-thirds of the occupied area. So far an area of 26 lakhs acres has been consolidated under this Act.

In U.P., Bombay, Punjab, PEPSU and Delhi, compulsory consolidation has been provided; the State Government has the power to frame a scheme of consolidation for any village on its own initiative. In U.P. the legislation has been passed only recently. In Bombay, consolidation schemes have been prepared for 690 villages. In Punjab, consolidation of 1·2 million acres has already been done and the initial aim was to complete the consolidation of the entire area throughout the State by 1956-57. Considerable progress has been made in PEPSU and Delhi. Several other States have yet to initiate action. On abolition of intermediaries and reform of tenancies, the tenure will be simplified and speedier progress should become possible.

Consolidation facilitates management and development of a unit of cultivation; its importance lies in consolidating a unit of cultivation rather than ownership. Where, therefore, security has been conferred on tenants, it is necessary that tenants' holdings should be consolidated.

A unit of cultivation can be enlarged mainly through co-operative farming and it is in this direction that the real solution to the problem of sub-division and fragmentation lies.

RE-ORGANISATION OF AGRICULTURE

19. Measures of reform have so far been enforced mainly through the revenue agency, but as the reforms take on a more radical character, it becomes more and more important that the people should be associated as fully as possible in their implementation. A new social and economic order cannot be built up without popular enthusiasm and the assistance of local leadership and initiative. Village panchayats have, thus, a vital role to play in the sphere of land reform and it is urgently necessary to establish a net work of panchayats all over the country-side.

20. The intermediaries in the zamindari areas and the owners in ryotwari areas did play a part, however limited, in the village agricultural system by providing finance and in some cases leadership. With the elimination of landlordism, problems of finance and leadership call for greater attention from the Governments concerned. Unless, therefore, measures of land reform are further supplemented by large-scale organisation of extension services and village communities, the full impact of the reforms is not likely to be felt. The extension services and the village panchayat system have to be introduced simultaneously with the enforcement of land reforms and fully integrated with the revenue agency.

21. In Uttar Pradesh, wide powers of land management for the proper utilisation and development of common lands, forests, *abadi* sites etc., have been vested in village communities called Gaon-Samaj with an elected executive

called the Land Management Committee. As an experimental measure collection of land revenue on a commission of 6¼ per cent. has been entrusted to a few selected village bodies and as they acquire experience in the work, collection will be made over to them on an increasing scale. The village people have, thus, been intimately associated with the administration of land reform. Bihar and Madhya Pradesh legislations for abolition of zamindaris also provide for the vesting of the management of estates in Gaon Panchayats. Such measures could be usefully worked out in other States as well. Where subletting is permitted, the sublease should be made increasingly through the village body. As the sense of social responsibility and the co-operative spirit develop, these bodies can take over to a greater extent the management of village lands on a co-operative basis.

22. Development of co-operative farming is one of the essential features of the land policy in the Five Year Plan. Except in Bombay, and to a limited extent in Uttar Pradesh, very little action has been taken to promote co-operative farming in other States. The U.P. Land Reforms Act provides for (a) voluntary co-operative farms of 10 or more persons; and (b) co-operative farms of uneconomic holders (holding less than 8 acres). In the latter case where two-thirds of the number of persons holding between them not less than two-thirds of the aggregate area comprised in all such holdings in the village agree to join a co-operative farm, the lands of other uneconomic holders in the village are also to be transferred to the co-operative farm. Co-operative farms are to receive concessions and facilities from the State in respect of land revenue, agricultural income tax, irrigation, consolidation of holdings and finance. In Hyderabad, similar provisions have been made in the Tenancy and Agricultural Lands Act. The Bombay Co-operative Societies Act also provides for a measure of compulsion where the majority of landholders agree to adopt similar measures.

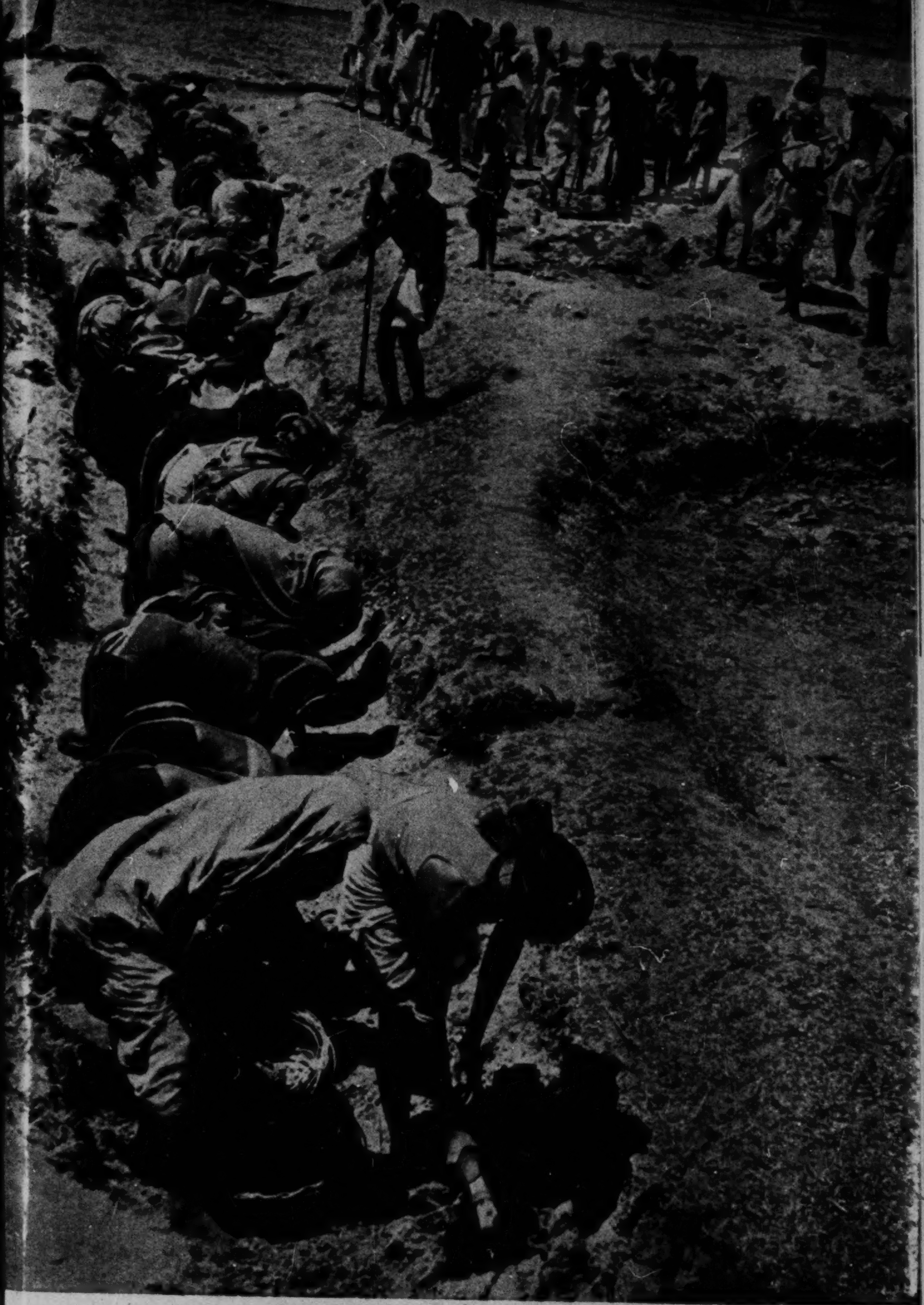
CHAPTER X

PUBLIC CO-OPERATION AND PUBLIC PARTICIPATION

THE PRINCIPAL force behind any democratic planning would always have to be the support of the people and their enthusiastic participation. Such support comes only if the people are keenly aware of the necessity of planning, of the unity of structure of a Plan and of its objectives. Such awareness requires to be constantly nurtured with diligent and understanding care. That is to say systematic publicity is necessary. Publicity, however, is not enough. There has to be a sense of participation in the Plan and such participation comes only when there are innumerable schemes affecting the daily lives of men and women in every nook and corner of the country in the preparation and implementation of which the people have a share.

In the year 1953, measures were undertaken to start a systematic publicity campaign for the Plan and to initiate types of schemes for public cooperation. These schemes of public cooperation can roughly be classified as follows:—

1. Local Development Works Programme;
2. State Voluntary Welfare Programme;
3. Participation of Women in the Small Savings Campaign;
4. Organisation of the Bharat Sevak Samaj;
5. Community Projects;
6. Organisation of Youth Camps.



Village women in a community project area helping in the construction of a drain.

INTEGRATED PUBLICITY PROGRAMME

During the year an Integrity Publicity Programme for the remaining years of the Plan period costing Rs. 1½ crores was sanctioned.

Publicity for the Plan is being conducted by the Union Ministry of Information and Broadcasting in close co-operation with the States. A Conference of State Information Ministers to consider mainly a concerted publicity drive for the Five Year Plan was held in New Delhi in September 1953. It was agreed that more active measures are necessary to reach people in villages through small pamphlets, pictures, films and through traditional methods like simple dramatic programmes in tune with our cultural traditions. A beginning is being made in all these directions.

In all during this period about 3 lakhs printed copies of publications on the Plan have been issued apart from similar sales by State Governments.

Another way of reaching the people is through stalls in Exhibition designed specifically to show the unity of the Plan. Such Stalls were organised in several Exhibitions in 1953. The Railway Exhibition Trains touring the country include two broad-gauge and two meter-gauge coaches carrying exhibits relating to the Five Year Plan. Along with these exhibits are film shows with commentaries in various regional languages. The Kumbh Mela is another occasion during which the Plan is being brought home to millions of people through Charts, Models, Maps, Radio Talks and Film Shows.

In 1953, the Planning Commission consulted the various State Governments as to whether they thought it desirable that there should be text books on the Plan in middle and high school classes. Most of the State Governments thought such a move desirable and measures will have to be taken to produce suitable and attractive books for the purpose These measures will, necessarily, have to be taken by the State Governments.

LOCAL DEVELOPMENT WORKS PROGRAMME

The term "Local Development Works" is meant to apply to schemes which cater to the comparatively small yet pressing requirements of the rural population. Much of the expenditure on development plans in under-developed countries has to be on large development works like irrigation schemes and power schemes designed to strengthen their food and power bases. It is necessary, however, at the same time, to stimulate enthusiasm of the people for the Plan through local schemes which will be of direct assistance to them and in the execution of which they would contribute either in cash or through supplies or through voluntary labour. A provision of Rs. 15 crores has been made in the Five Year Plan for this purpose. Normally 50 per cent. of the cost of each work is to be met by contributions by State Governments, Local Bodies and the people of the locality, and the remaining 50 per cent. by the Central Government. Within the 50 per cent. local contribution *i.e.* by the State Government, Local Bodies and the people of the locality, the percentages *inter se* have not been defined so as to keep the arrangements elastic. Where the people's contribution is totally absent however, the work does not qualify as local development work. The intention is to spread the benefit of the grant over as wide an area and to as large a number of people as possible, particularly in those areas which have not benefitted by other development schemes. The maximum limit of the Central grant has therefore been fixed at Rs. 10,000 for each work and this implies that the cost of a scheme will not exceed Rs. 20,000. The more common type of "felt needs" in the rural areas would include the following kinds of works:—

(*a*) Drinking water supply schemes;

Seva Dal *workers building a road in the village of Thadagani in Mysore.*

(b) Permanent works for the improvement of agriculture;

(c) Permanent works for rural sanitation;

(d) Village roads including small bridges culverts;

(e) Improvement to school or dispensary buildings where such institutions already exist but are inadequately housed; and

(f) Construction of godowns for the storage of goods.

These categories are meant to be illustrative rather than exhaustive; and any scheme which relates to permanent improvement in the countryside, with as little recurring expenditure as possible, is eligible for assistance.

During the year 1953-54 a provision of Rs. 3 crores for the purpose was made out of which Rs. 2½ crores have been allotted to the various States on a population basis while a reserve of Rs. 50 lakhs has been retained by the Central Government. The programme was inaugurated in April 1953, but most of the works started functioning in the autumn of that year. The schemes have now gathered momentum and 1,25,000 works, estimated to cost about Rs. 3½ crores have already been approved and work has started on most of these schemes.

ORGANISATION OF VOLUNTARY WELFARE PROGRAMME

Ours is a welfare State and the Five Year Plan emphasises the necessity of social welfare programmes On account of the limited resources of Governments, however, and the very nature of welfare work itself, the major responsibility in implementing welfare programmes must necessarily be that of voluntary welfare agencies. Such voluntary effort for social welfare has long established traditions in India. In many fields voluntary welfare workers have done pioneering work. It is proper and fitting, therefore, that the enthusiasm and experience of such voluntary workers should be harnessed for the furthering of the Plan as a whole. This can best be done by the grant of financial assistance to organisation doing voluntary welfare work. For this purpose, a provision of Rs. 4 crores has been made in the Plan. To administer the Plan a Central Social Welfare Board consisting of experienced social workers and administrators—was set up as an autonomous body in August 1953 under the Ministry of Education. This Board consists of 10 members, 6 of whom are non-officials, and a Chairman. Of the 11 members (including the Chairman) 6 are women. This Board will allocate priorities and sanction grants to deserving institutions actively engaged in the welfare and rehabilitation of women and children. The Board will assess the requirements of each institution, evaluate the programmes and co-ordinate the activities of these social organisations with that of Governments. The Board sanctions schemes on a 50 per cent. matching basis, the other 50 per cent. being met by local contributions which may be made by: (*i*) State Governments; (*ii*) Local Bodies, and (*iii*) Social Welfare Organisations.

The Board's contribution is normally limited to Rs. 10,000 a year for an institution.

The Board has constituted Advisory Panels consisting of experts dealing with problems in different fields of work to suggest and evaluate programmes. One of the main functions of these panels will be to visit various Social Welfare Organisations in the country and to recommend to the Board the best method of assisting them in their work. The Board has constituted, to begin with, three panels in the following broad fields:—

1. Welfare of children;
2. Welfare of women;
3. Welfare of handicapped children and of juvenile delinquents.

So far the Board has approved about 450 schemes worth Rs. 16 lakhs out of a budget provision of Rs. 25 lakhs. Other schemes are still under consideration.

The Board proposes bringing out a popular illustrated magazine which will be monthly, and which will serve as a forum for the discussion of social welfare problems over the entire country.

To assist in the work of allocation of priorities, it will help very much if a survey of social welfare work in this country is made and this is also being considered.

A Family Welfare Centre has also been opened in Delhi under the auspices of the Board. This is the first step in building up a Family Welfare Service designed to give relief to middle class families with income ranging from Rs. 60 to Rs. 250 per month. Under this scheme employment would be given to women in selected cottage industries in which the goods produced will have a ready market. The women will work either in their homes or in the Centres specially opened for the purpose.

Participation of Women in Small Savings Campaign

The participation of women in the savings campaign is important not only from the point of view of raising resources but also because this is a very effective method of carrying the message of the Plan to every home. A Central Advisory Committee on the Women's Savings Campaign was inaugurated in August 1953, to intensify the savings campaign amongst women not only in cities but also in the villages. The members of the Committee have been allotted zones within which they are to establish contacts, form committees and recommend recognised registered associations to the Central Advisory Committee for appointment as authorised agents for the sale of national savings certificates on the usual commission basis. The purpose of these registered institutions, 100 in number, is to cover the entire country, special emphasis being given to the countryside.

ORGANISATION OF BHARAT SEWAK SAMAJ

The Bharat Sewak Samaj is a body created for organising and developing the voluntary effort of the people, to quicken the pace of economic and social progress and to secure the fullest participation of the people in carrying out the Plan. It is intended to function as an non-political and non-official organisation. It has formulated a comprehensive programme, and is engaged in the task of developing a network of regional and local branches for undertaking activities on a nation-wide basis. A conference of the conveners was held in Delhi on May 1953 in which the work done in the Pradeshes was reviewed and mutual problems discussed. A special programme was chalked out which gives prominent place to education of the people regarding the Five Year Plan and local surveys for planning from below. The Organisation has been giving increasing attention to students camps, local works and work in Community Projects. Steps are being taken in collaboration with the Community Projects Administration to organise a convention at Pawapuri near Bihar Sherrif Community Projects area for a further review of its work and fixing its programme for the next year. The Bharat Sewak Samaj issues a fortnightly magazine 'Bharat Sewak' in English and in Hindi.

PUBLIC PARTICIPATION IN COMMUNITY PROJECTS

The Community Projects and the National Extension Service are fields where rural communities are brought closely into that upsurge of development which is the Plan. In many States Sharma Dan drives have been launched with the intention of mobilising manpower for community development projects and for various self-help schemes. The enthusiasm which undoubtedly exists behind the Sharma Dan movement emphasises the necessity for ensuring that the schemes undertaken are a part of well-conceived and well-designed local programmes closely related to the implementation of the State Plan and for the provision of maintenance facilities for the works completed through the assistance of voluntary labour.

ORGANISATION OF YOUTH CAMPS

A provision of Rs. 1 crore has been made in the Plan for labour and social service by students. The main idea is that students between the age of 18 to 22, unless they are exempted on medical grounds, should devote a period of about a year to national service at such place and time, and in such manner as the State may decide. The economic value of the product of such labour is not the chief consideration of such camps, but an understanding of the vast place which manual labour occupies in the life of a nation. Such an understanding can best come during the formative years of a student's life. Action on these youth camps remains to be initiated. In the meanwhile some assistance has been given through small grants from the local development works provision referred to above for about 30 camps. A total grant of about Rs. 88 thousand has been sanctioned in 1953 and more than 4,000 students have participated in the camps during the various vacations of the year in camps duration of which averaged about a fortnight.

GIPD—M—53 PC—19-1-54—10,000